



**Buyer-driven sales of design services: Adapting sales practices
to buying behaviour of the client**

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Abstract

During the past few years, the role of design as a means of achieving strategic goals and creating competitive advantage has been widely acknowledged, increasing both academic and business interest towards understanding design in business terms as a driver of added value. Despite the widespread interest, the application of and investments in design have remained rather small and the full potential of design rendered benefits has not been acknowledged. These challenges seem to reside in the lack of common understanding of the scope and possible benefits of design as well as a common language between the two different professional fields of design and managers.

This study approaches the existing communication gap of design value from a new perspective by examining the sales interaction between design agencies and their clients with a buyer-driven approach. Hence, the objective of this study is to augment the understanding of sales interactions between design agencies and their clients by better understanding the client perceptions of design.

The theoretical framework of the study builds on research in the domains of design as a knowledge intensive business service, sales as a means of creating mutual understanding, and organisational buying behaviour in the context of business services. Outgoing from this theoretical background, sales is seen as an interactive problem-solving process with the aim of creating mutual understanding by aligning on the customer's and the seller's interpretations of the customer's problems and solutions. The underlying logic is that by understanding design in the scope of the client's overall business and the client's individual perceptions, design agencies can shape their sales practices to align on a mutual understanding of the customer-perceived problems and solutions.

This study adopts a multiple-case study approach with three cases consisting of agency-client couples with three different types of design services: product design, package design, and service design. The empirical data was collected through semi-structured interviews, self-ethnographic observations and analysis of project documentation.

The findings of this study are mainly three-fold. First, this study augments the existing understanding of design purchases by identifying the design industry specific criteria for evaluating design purchases and the organisational, individual, and offering-related factors that affect the selection of these criteria. Secondly, the findings of this study support the theoretical conceptualisation of sales as a problem-solving process, and hence suggests conceptualising the sales of design services as a process based on understanding customer problems and interactively conceiving desirable solutions to these problems. Finally, the findings of this study give a more detailed description of the sales practices applied by design agencies in order to reach alignment with their clients and suggests how these practices can be shaped across different client contexts and design services to most efficiently reach mutual understanding in order for value to emerge.

Keywords buyer-driven sales, sales as problem-solving, design services

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Abstract

Muotoilun rooli strategisten tavoitteiden saavuttamisessa ja kilpailuedun luomisessa on laajalti hyväksytty viime vuosien aikana. Tämä on johtanut lisääntyneeseen akateemiseen ja liiketoiminnalliseen kiinnostukseen ymmärtää muotoilu liiketoiminnan viitekehityksessä lisäarvon luojana. Laajasta kiinnostuksesta huolimatta, muotoilun käyttö liiketoiminnassa sekä siihen tehdyt sijoitukset ovat pysyneet vaatimattomina, ja muotoilun täyttä potentiaalia ja hyötyjä ei ole täysin tunnustettu. Näiden haasteiden nähdään kumpuavan yhteisen ymmärryksen ja jaetun kielen puutteesta kahden erilaisen ammatillisen kentän, eli muotoilijoiden ja liiketoiminnan johdon, välillä.

Tämä tutkimus lähestyy näitä aiempien tutkimuksien kommunikaatioon liittämiä haasteita uudesta näkökulmasta tutkimalla muotoilutoimistojen ja niiden asiakkaiden välistä myyntivuorovaikutusta ostajalähtöisesti. Näin ollen tutkielman tavoitteena on laajentaa olemassa olevaa ymmärrystä myyntivuorovaikutuksesta tutkimalla myyntiä asiakkaan näkökulmasta ja ymmärtämällä, miten asiakkaat käsittävät muotoilun osana liiketoimintaansa.

Tutkimuksen teoreettinen viitekehys käsittelee muotoilua osaamisintensiivisenä konsultointipalveluna (knowledge intensive business service), määrittelee myynnin tapana luoda yhteistä ymmärrystä asiakkaan ja ostajan välille ja tutkii organisaatioiden ostokäyttäytymistä yrityksille suunnattujen B2B-palveluiden näkökulmasta. Tämän teoreettisen perustan pohjalta myynti nähdään interaktiivisena ongelmanratkaisuna, jonka tavoitteena on luoda yhteistä ymmärrystä sovittamalla yhteen asiakkaan ja myyjän tulkinnat asiakkaan kokemista ongelmista ja mahdollisista ratkaisuisista niihin.

Tutkimus on toteutettu monitapaustapaustutkimuksena, jossa tutkitaan kolmen asiakas-myyjä-parin myyntivuorovaikutusta liittyen erilaisten muotoilupalveluiden myyntiin. Tutkielmaan sisältyvät muotoiluprojektit edustavat tuotesuunnittelua, pakkaussuunnittelua ja palvelumuotoilua. Empiirinen data kerättiin hyödyntäen puolistrukturoituja haastatteluja, itse-etnografisia havainnointeja (self-ethnographic observations) sekä projekteissa käytettyjä dokumentteja.

Tämän tutkimuksen tulokset jakautuvat kolmeen pääasialliseen johtopäätökseen. Ensinnäkin tutkimus laajentaa nykyistä ymmärrystä muotoilupalveluiden ostosta tunnistamalla muotoilualalle tyypilliset ostokriteerit sekä tekijät, jotka vaikuttavat asiakkaiden ostokäyttäytymiseen. Nämä tunnistetut tekijät voidaan pääasiassa jakaa asiakkaan organisaatiosta, asiakkaasta yksilönä sekä itse muotoilupalvelusta kumpuaviin tekijöihin. Toiseksi tutkimuksen tulokset tukevat teorian pohjalta rakennettua mallia, jonka mukaan myynti voidaan nähdä ongelmanratkaisuprosessina. Näin ollen tutkimuksen tulokset tukevat näkemystä myynnistä asiakkaan ongelmien ymmärtämisenä ja niihin vastaamisena toivotuilla ratkaisulla. Lopulta tutkimuksen tulokset luovat tarkemman kuvauksen muotoilutoimistojen nykyisellään käyttämistä myyntikäytännöistä ja selvittävät näiden myyntikäytäntöjen tehokkuuden eri tyyppisille asiakkaille ja muotoilupalveluille päämääränään luoda yhteisymmärrystä asiakkaan ja myyjän välillä sekä mahdollistaen arvon muodostumisen.

Keywords ostajalähtöinen myynti, myynti ongelmanratkaisuna, muotoilupalvelut

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1 INTRODUCTION – THE CHALLENGES IN SELLING AND PURCHASING DESIGN

During the past few years, design has been increasingly recognised as a valuable means of achieving strategic goals and competitive advantage (e.g. Hertenstein, Platt and Veryzer, 2005; Lockwood, 2007; Design Council, 2007; Whicher, Raulik-Murphy and Cawood, 2011; Best, 2011; Celaschi, Celi and García, 2012). Simultaneously, the economic impact and importance of intangible assets, especially design, is on the rise as the economic potential of tangible assets is decreasing (Alavuotunki, Halme, Salminen, 2015; Ornamo, 2018). Design can thus act as a powerful differentiator on the contemporary marketplace where the competition is becoming increasingly intense.

This development has motivated researchers to understand and study design in business terms as a driver of business value in order to motivate the economic relevance of design (e.g. Hertenstein et al., 2005; Lockwood, 2007; Whicher et al., 2011). Until today, the focus has been on showing and capturing the economic impact of design on the company performance. This means finding methods and metrics for capturing the economic value of design investments so that they can be tracked and managed objectively, such as the return on investment (ROI) (Hertenstein et al., 2005; Borja de Mozota, 2006; Whicher et al., 2011). The rationale behind considering design in business terms has been to create a mutual language and agenda between designers and business managers in order to encourage investments in design (Lockwood, 2007; Mrazek et al., 2011; Westcott et al., 2013).

However, design is a tricky entity to measure and manage in traditional business terms due to its intangible, manifold nature and lack of generally accepted definitions amongst academia and design industry (Whicher et al., 2011). The term *design* can refer both to an activity, i.e. the process of designing, or the outcome of that activity (Borja de Mozota, 2003:3). Furthermore, design has lately expanded to more strategic areas and evolved into a creative and multidisciplinary way of thinking and solving problems, i.e. design thinking (Brown, 2008). In other words, the role of design has evolved beyond making tangible objects to transforming organisations to be more innovative, holistic and strategically adept (Lee and Joo, 2016).

Hence, design is present in and integrated to other business functions, making it challenging to identify and isolate the sole contribution of design itself (Whicher et al., 2011). The impacts of design application usually occur through long-term development

and there is typically a rather long delay between the design investment and its potential returns, making it hard to define the full scope of added value achieved by the design efforts (Hertenstein et al., 2005; Whicher et al., 2011). Furthermore, as design is expanding into strategic areas, traditionally employed financial indicators are able to capture only the economic side of design benefits, and thus fail to reflect the full complexity of design rendered benefits that go beyond short-term monetary gains (Viladàs, 2011; Celaschi, et al., 2012).

Despite the aforementioned challenges related to measuring design benefits, the positive effects of design application have been demonstrated on both the macroeconomic and microeconomic levels (e.g. Lindström, Nyberg and Ylä-Anttila, 2006; Whicher et al., 2011). On the macroeconomic level, clear links have been found between the systematic use of design and the competitiveness and economic growth of a nation (Lindström et al., 2006; Danish Design Centre, 2000). Research on microeconomic level, on the other hand, has shown that the systematic use of design integrated into the company processes and strategy creates competitive advantage and enhances the overall company performance (e.g. Roy and Potter, 1993; Gemser and Leenders, 2011; Design Council, 2004; Commission of the European Communities, 2009).

Consequently, in the light of the existing research, design appears as a lucrative investment with the potential to enhance both the growth and the profitability of an organisation. Interestingly, design still seems to stay in the shadow of other business functions and is usually associated with aesthetics or styling, rather than understood as a strategic asset for the creative development of the organisation (Best, 2011; D'Ippolito, 2014; Työ- ja elinkeinoministeriö 2015). According to Innobarometer 2015 by the European Union (2015), only 35% of European and 49% of US companies use design. According to a Finnish study by Työ- ja elinkeinoministeriö (2015), 45% of Finnish companies have invested 1% or less of their turnover in design. Consequently, despite the widely acknowledged positive effects of design use on the company performance, the application of and investments in design have remained rather small and the full potential of design rendered benefits has not been acknowledged.

Against this backdrop it does not appear surprising that most design agencies still struggle in motivating the added value of design services for their clients, especially when it comes to delivering intangible services such as design strategy development

(Eneberg and Svengren Holm, 2015). Potential purchasers of design services consider purchasing external design services too expensive as they do not understand the full scope and contribution of design (Dumas and Whitfield, 1989; von Stamm, 1998; Bruce and Bessant, 2002; Holopainen and Järvinen, 2006, Suomalaisen työn liitto, 2012). Consequently, also the benefits of design application appear too vague and therefore not adding value to their business objectives (Bruce and Bessant, 2002; Pitkänen et al., 2011; Työ- ja elinkeinoministeriö, 2015). Further, a Finnish survey on both the buyers and sellers of design services, reveals that buyers deem the client understanding and the sales and marketing know-how as the main weaknesses of Finnish designers (Holopainen and Järvinen, 2006). As Best (2010) sums it up by quoting Loglisci (2009): “In effect, clients don’t know how to buy design, and creatives don’t know how to sell it.”

Hence, the problem seems to reside in the communication between these two parties and in the way designers currently aim to communicate the value potential of the increasingly complex design services. As Gorb (2001:2) puts it, designers need to learn the language of the business world in order to effectively voice the arguments of design. Hence, as peculiar as it may sound in the context of design, designers need to improve the understanding of their clients and develop their sales practices. This study approaches the existing communication gap of design value from a new perspective by examining the sales interaction between design agencies and their clients. By understanding how clients evaluate design purchases and what affects these evaluations, this study aims to develop new and more efficient sales practices to unravel the full value potential of the wide range of design services offered by design agencies.

My personal motivation for conducting this study arises from my working experience in an advertising agency offering consultative services in branding, marketing and design. In the contemporary marketplace with intense competition, increasing demands for efficiency and decreasing budgets for marketing and design, companies face tough decision on how to spend the scarce resources. This often leads to uncertainty and risk aversion by clients and therefore cutting back on projects dealing with high risk, uncertainty and intangibility, i.e. projects such as branding and design where the added value is challenging to demonstrate in unequivocal monetary terms. Furthermore, the decision-makers at the client’s side often lack encompassing education and experience in design, making it more challenging to justify the purchase-decisions. Therefore, it is interesting to study how design agencies could more efficiently collaborate with their

clients and help them in making design-related decisions, potentially leading to mutually more profitable business relationships.

1.1. Research Gap

As outlined above, current research has aimed to find methods for capturing the value of design projects but has not actually explored how sellers and buyers of design services interact in sales situations, i.e. how design agencies currently aim to show how design solutions can add value to their clients' businesses and what affects the client evaluations of these solutions. In other words, design and design investments are currently assessed mostly based on financial indicators ignoring the circumstances under which firms select certain design solutions. Hence, this forms an interesting avenue for further study, the need of which has been called upon by existing research (D'Ippolito, 2014).

The primary challenge in selling design seems to reside in creating mutual understanding of what design actually means and how it renders value in the scope of the overall business of the client. In order to cast light on these existing challenges between the fields of management and design, current research has mainly focused on examining the differences between the domains of business and design (Dumas and Whitfield, 1989; Walker, 1990; Bruce and Morris; 1994; Bruce and Cooper; 1997, Bruce and Bessant, 2002; Ravasi, Marcotti and Stigliani, 2008) as well as examining the conditions of success and failure of design collaborations between external designers and their clients (Ravasi et al. 2008; Filippetti, 2010). However, the focus is mostly on the designers' perceptions and none of these studies focus explicitly on sales interactions.

Eneberg and Svengren Holm (2015) touch upon the sales interactions as they study the value communication of intangible design services adopting a service-dominant logic. However, the discussion stays on a conceptual level of designers' competencies and their related value aspects. Hence, even though acknowledging the pivotal role of the client in design collaborations and the focus on customising design solutions to the specific needs and context of the client (Eneberg and Svengren Holm, 2015), research has remained strikingly silent about understanding the client sphere, i.e. the client's perception of design in the scope of their business and how this affects their evaluations of design purchases.

In order to gain a better understanding of the sales interactions taking place between design agencies and their clients, this study shifts the focus to understanding the client as the focal point for determining how the value of different design services unravel during the sales interaction. Hence, in order to enhance the communication between design agencies and their clients and to create common understanding of design value, designers need to gain a holistic understanding of how clients evaluate design purchases, and what affects these evaluations. This buyer-driven approach to selling design services shifts the central interest to examining the buying behaviour of the clients. However, as identified above, research into purchasing design services has remained silent and in fact no prior research was identified in this area.

To conclude, in the light of the existing research, our understanding of the sales interactions between design agencies and their clients remains limited as no current studies explicitly and systematically address the sales interactions within the field of selling and purchasing design services. Consequently, further research is needed in order to better understand the circumstances under which firms select certain design solutions and how this affect the effectiveness of different sales practices applied by design agencies. Hence, by better understanding their clients, design agencies can develop their sales practices towards a more buyer-driven approach enabling the creation of mutual understanding of how design solutions can add value in the scope of the client's overall business.

1.2. Research Objective and Questions

The objective of this study is to augment the understanding of sales interactions between Finnish design agencies and their clients and thus develop sales practices employed by design agencies in order improve their sales communication. In order to do so, this study aims to determine how the client's perception of the purchased design service and its nature affect the interaction with the design agency. This study builds on the assumption that by better understanding the level of the client's design application and its effect on their overall business objectives, design agencies can better adapt to different clients and choose the right sales practices to cater to the client's needs and objectives. Hence, the client is given a pivotal role in framing the space for the sales interaction.

In order to increase our limited understanding of these sales interactions between design agencies and their clients and to bridge the communication gap between these two different professional fields, this study approaches sales as a problem-solving process with the aim of creating mutual understanding by aligning on the customer's and the seller's interpretations of the customer's problems and solutions (Corsaro and Snehota, 2011; Haas, Snehota and Corsaro, 2012). Hence, reaching alignment is considered as a driver of value creation between the client and the seller (Cox, 2004), and therefore a means of creating mutual understanding. The customer and seller interpretations of problems and solutions form insightful vehicles to study the sales interactions as they appear to influence the client and seller behaviours in interactions, their strategic choices as well as their choice of a solution for a given problem (Kaplan, 2008).

In other words, the client's buying behaviour affects the interaction between them and their design supplier as well as how they define their design-related problems and evaluate design solutions. Hence, the client's perception of design is seen to affect the way and format in which the design solutions should be presented and communicated to the client in order to reach alignment on the client perception and thus to unravel value. Therefore, the key to delivering superior value is to better understand the criteria clients use for framing problems and evaluating solutions and what affects the criteria clients choose to apply for different purchases.

More specially, this study explores the sales interaction between the client and the seller in terms of the following logic: 1) criteria used for framing the problem and evaluating the desirability of a solution depends on the client's perception of the design service in terms of the organisational level of design application and complexity of the service being purchased; 2) this criteria affects both the clients perception of the problem and its possible solutions; 3) these client perceptions affect the sales practices that design agencies can apply to best reach alignment on the problem and solution, i.e. to successfully unravel the value of the design service offered.

Therefore, to meet the objectives of this study in line with the logic outlined above, the following research questions are considered:

1. How do clients evaluate different design purchases and what affects these evaluations?

2. How are problems and solutions communicated in sales interaction?
3. How can design agencies shape their sales practises to reach alignment on problems and solutions across different types of clients and design purchases?

The unit of analysis in this study is the sales interaction between the seller and the client regarding the sales of design services in a business-to-business context, i.e. organisational purchasing of design services, leaving design services directed to consumers outside the scope of this study. Observations are based on reporting actual sales practices undertaken in sales interactions with specific clients, my personal observations working in one of the case companies, and analysing documents used during the sales interactions. Hence, the sales interactions are studied from a dyadic perspective of both the seller and the client in order to gain an objective and holistic understanding of what is actually going on in these relationships. A dyadic perspective enables a dialogue between the perspectives of the client and the seller and thus succeeds to cast light both on how the purchases of design services are currently evaluated and what can be done by the design agencies to better adapt their sales practises to the purchasing contexts of their clients.

Sales is examined in terms of sales practises performed during the sales interactions. A practice refers to the actual application of an idea, belief, or method, as opposed to theories relating to it (Oxford University Press, 2018). Hence, choosing to use the term *sales practices* refers to the actual activities taking place during the sales interaction. In the scope of this study, the sales practices are studied in terms of sales behaviours, i.e. what people do in sales interactions, and representation formats (such as sales presentations and other visual or textual materials) employed to support the sales behaviours. Hence, the focus in this study is on verbal and visual communication and therefore non-verbal actions such as body language and gesturing are outside the scope of this study.

1.3. Limitations

The scope of this study is limited to the Finnish design industry and focuses on enhancing the understanding of sales interactions and sales methods to be used in Finnish companies. Even though the main trends in the design industry and design management practises are global, some characteristics are specific to certain regions (e.g. Moultrie and Livesey, 2010). The Finnish design industry is known for its high

technological competency but has weaknesses in understanding customer needs, sales and marketing, customer relationship management and creating partnerships (Holopainen & Järvinen, 2006). This creates a highly interesting empirical setting to study sales but it has to be acknowledged that some of the findings might therefore be specially related to the Finnish industry and other empirical contexts might be insightful to study in the future in order to gain a richer understanding of the phenomenon.

Secondly, this study focuses on the relationship between companies and their external design consultancies and the investments taking place between these two parties. Therefore, the internal investment decision-making processes are not explicitly studied. However, a key consideration of this study is that factors internal to the client organisation affect how they perceive and evaluate design purchases, and therefore this study does consider the level of design application in the client organisation and its importance in the organisational context, which might reflect internal investment decision-making processes to some extent.

Third, this study approaches sales interaction as a problem-solving process with the aim of creating mutual understanding. Hence, sales is seen as a process of creating mutual understanding between the client and the seller and value is seen to emerge through this process. This approach places a focus on the interaction and the relationship between the client and the seller, and consequently this study follows a relational perspective on value and sales (Vargo and Lusch, 2004; Grönroos 2011; Haas et al., 2012). Therefore, transactional selling tactics aimed to persuade or influence the client are not considered in the scope of this study.

Finally, this study is focused on examining how design agencies can develop their sales practises and hence the development of sales processes is outside the scope of this study. Viio and Grönroos (2014) argue for the benefits of aligning the sales and purchasing processes of the buyer and the seller, but as the practice of selling design services is still in its infancy, it is more insightful to study sales person behaviours and representation formats on the operational level to better understand the sales and purchasing interactions in the field of design. However, the currently existing sales processes within the field of design are mentioned in order to understand the context in which the sales interactions take place.

2 LITERATURE REVIEW ON DESIGN, SELLING AND PURCHASING

This chapter introduces the theoretical framework for this study and is divided into four main sections. Section (2.1.) covers relevant design literature to create an understanding of the definition and scope of design and design services and how the special characteristics of design as a knowledge intensive business service affect the client evaluations of different design purchases. The second Section (2.2.) covers the development in the field of business-to-business sales and introduces the problem-solving approach adopted by this study for examining the sales interactions between design agencies and their clients. In the third Section (2.3.), organisational buying behaviour is explored in order to better understand how companies evaluate design purchases in terms of the purchasing process, purchase criteria and decision-makers involved in the process. Finally, Section 2.4. summarises the literature review and synthesises the theoretical framework of this study.

2.1. Design and design services

One of the main challenges of studying design as well as defining its role in an organisation is the myriad of definitions design can have (Borja de Mozota, 2003; D'Ippolito, 2014). The equivocal definition of design is a consequence of widespread interest towards design and design application as well as an exhibit of its versatile nature (D'Ippolito, 2014). Furthermore, the definition and scope of design is in a constant change, moving from its traditional association with aesthetics and styling of tangible objects to more strategic and intangible areas, i.e. into a multidisciplinary way of thinking and approaching problems emerging from people's or social needs (Kim and Chung, 2007; Brown, 2008; Celaschi, et al., 2012; Lee and Joo, 2016). Consequently, it is important to review the development of the concept of design in order to understand how the manifold and evolving nature of design can affect the purchasing and sales interactions of different types of design services.

The concept and definition of design have evolved through time and due to a widespread interest towards design there is no single definition of it (Person, Snelders, Schoormans, 2012; D'Ippolito, 2014). Design can refer both to an activity, i.e. the process of designing, or the outcome of that activity (Borja de Mozota, 2003:3). Design as an outcome deals with the form, style and aesthetics of an object, whereas the

process point of view refers to the process of designing that outcome as well as managing the process of designing (Borja de Mozota, 2003; Person et al., 2012). Artistic and creative processes are a central part of design competencies including visualising techniques such as sketching and prototyping (Best, 2011; Eneberg and Svengren Holm, 2015). Bruce and Bessant (2002:3) define design as follows:

“Design is essentially the application of human creativity to a purpose—to create products, services, buildings, organizations and environments which meet people’s needs. It is the systematic transformation of ideas into reality.”

In other words, design is a creative and human-centred problem-solving and decision-making process with the aim of transferring ideas into outcomes with a form and function that cater to human needs and desires (Borja de Mozota, 2003; Best, 2010).

2.1.1. The expanding scope of design

Design has lately expanded to new and more strategic areas, beyond the traditional focus on outcomes and processes into a way of thinking, i.e. design thinking (Borja de Mozota, 2003; Brown, 2008). Design thinking refers to an orientation that emphasises multidisciplinary and creative problem-solving with a focus on experimentation, empathy and user-centricity (Brown, 2008). Design thinking utilises design capabilities and methods to integrate human needs and desires with what is technologically feasible and economically viable to create products, services, and concepts that create customer value and market opportunities (Brown, 2009:4; Best, 2011:17). Resembling the definition of design thinking, D’Ippolito (2014) emphasises the user-centricity of design and defines design as a creative lens through which companies can better understand the emotional responses and needs of different people as users.

Simultaneously, design activities are getting more diverse as the market is saturating: manufacturing capabilities and product development are no longer enough to create competitive advantage (Sanders and Stappers, 2008; Celaschi et al., 2012). The abundance of products and services puts an emphasis on the ability to craft sophisticated experiences that are emotionally satisfying and meaningful (Brown, 2008). Hence, these new design areas emerging directly from people’s or societal needs require a different approach as they are open-ended and not automatically oriented towards the creation of a product or service (Sanders and Stappers, 2008; Celaschi et al., 2012). This necessitates addressing larger scopes of inquiry and dealing with longer time perspectives.

Hence, the focus and variety of design practises has evolved, leading to the development of new disciplines of design posing different requirements for the designer's capabilities and profession (Sanders and Stappers, 2008; Celaschi et al., 2012). The design practice has traditionally been divided into four main disciplines: environmental design (i.e. the planning of different spaces), product design (engineering design and industrial design), package design and graphic design (Borja de Mozota, 2003). The current scope of design practises has expanded beyond this traditional classification. Buchanan (2001) describes this development through four orders of design. The first and second orders had their emphasis on symbols and physical things, thus having the focus on the establishment of graphic design and industrial design. Instead of focusing on symbols and things, design has turned to consider how objects of design are a part of the living experiences of human beings thus focusing on action and environment and how design creates value in our lives. The third order grew out of this notion, having its emphasis on interaction design, i.e. how human beings relate to other human beings through the mediating influence of products, services, activities, and experiences. Finally, the fourth order of design is concerned with ideas or thoughts that organise systems or environments. Hence, the focus is on human systems, the integration of information, physical artefacts, and interactions in environments of living, working, playing, and learning. Whereas Buchanan (2001) mainly considers the objects of design, Sanders and Stappers (2008) emphasise the dimension of purpose in the development of design practises as a movement from a focus on physical products towards designing for a purpose (see Table 1).

Table 1: Development of design practices, adapted from Sanders and Stappers (2008) and Buchanan (2001)

Development of design practices			
Traditional design disciplines focusing on the designing of products Visual communication design (graphic design) Interior space design Product design (industrial design) Information design Architecture Planning		Emerging design disciplines focusing on designing for a purpose Design for experiencing (UX design) Design for interacting (Interaction design) Design for serving (Service design) Design for transforming	
First order of design	Second order of design	Third order of design	Fourth order of design
Graphic design: Visual symbols, communication of information	Industrial design: Creation of tangible and physical artefacts, material things	Interaction design: Activity and environment, Interaction of human beings mediated by products, services and experiences	Environmental design: Ideas and thoughts that organise systems and environments

Hence, design methodologies once used to design products are now being used to design systems, processes, services, digital interfaces, entertainment, communications, and other kinds of human-centred activities (Muratovski, 2015). As we can see in the development of design practises, design is shifting towards more intangible realms and the area of design innovation is expanding from products to knowledge work (Sanders and Stappers, 2008; Brown, 2008; Eneberg and Svengren Holm, 2015). Also design agencies themselves see a shift towards the intangible in their service offering (Pitkänen et al. 2011; Eneberg and Svengren Holm, 2015). In such design areas, the emphasis in the design process is on the “fuzzy” front-end in order to inform and inspire the exploration of open-ended questions (Sanders and Stappers, 2008). In other words, at the outset of such projects, the final deliverables of the design process are still unknown.

A further discussion of the development of design practises and a closer description of each discipline is outside the scope of this study. The central issue here is to understand how the different design practices require different types of knowledge both from the designers and the buyers of design, ranging from rational and objective knowledge (e.g. engineering designers) to more expressive and tacit, thus subjective knowledge (e.g. graphic designers) (D'Ippolito, 2014). As we can see in the discussion above, the concept of design has evolved to be rather manifold, the new directions of it being increasingly intangible and facing rather open-ended problems. This development affects both the scope of design services offered by design agencies and the relationships with their clients (Eneberg and Svengren Holm, 2015).

2.1.1. *Design as a knowledge intensive business service*

In the scope of this study, offerings of design agencies are considered from a service perspective, i.e. the term design service is used to describe the offerings that design agencies provide to their clients. A service can be defined as a set of activities aimed at supporting the customer's practices and business activities with a set of resources and interactive processes (Grönroos, 2008:300). According to Normann (2001) there are two different interconnected ways of providing a service: *relieving* and *enabling*. Relieving refers to doing a task or series of tasks for another party, whereas enabling refers the act of making it possible for the other party to do a task or series of tasks for itself more efficiently and/or effectively (ibid.).

Services are often described and defined through their unique characteristics broadly cited in literature: *intangibility*, *inseparability*, *heterogeneity*, and *perishability* (Zeithaml, Parasuraman and Berry, 1985:33). The intangibility of the service has been seen as the most fundamental difference between goods and services and the antecedent of the other special characteristics of services (Zeithaml et al., 1985:33). Intangibility refers to the feature that services cannot be seen, felt, tasted, or touched in the same manner in which goods can be sensed (ibid.). Hence, intangibility implies that it is difficult to obtain information about a service offering, especially in terms of determining its value prior to purchase and use, thus increasing the risk and uncertainty related to intangible offerings (Valtakoski, 2015). Laroche, Bergeron and Goutaland (2001) further divides intangibility into three dimensions of *physical intangibility*, *mental intangibility*, and *generality*. Physical intangibility refers to the traditional definition of intangibility as defined above by Zeithaml et al. (1985:33), whereas the mental intangibility refers to how easily an offer can be cognitively understood by customers due to the complexity and novelty of the offering. Generality captures how general or specific an offer is perceived by a customer.

Secondly, inseparability refers to the simultaneous production and consumption of services. Services tend to be first sold, and then produced and consumed simultaneously, implying a dual role both for the buyer and the seller. The buyer acts both as a client and a co-producer of the service, whereas the seller both produces and sells the service simultaneously (Zeithaml et al., 1985:34; van der Valk and Rosemeijer, 2009:4). Thirdly, heterogeneity refers to the potential of high variability in the performance as services are provided by human beings and through exchange of human knowledge, expertise, and capabilities which can fluctuate from one service performance to another (van der Valk and Rosemeijer, 2009:4). Finally, perishability highlights that services cannot be saved or stored and hence they exist only during the time of production. (Zeithaml et al., 1985.)

Especially the dimensions of intangibility and inseparability capture the nature of design services. Design services have also been termed as *experience goods*, meaning that the characteristics of design services are difficult to observe in advance and can be ascertained only on consumption (Commission of the European Communities, 2009). Further, most design services are usually both produced and sold by the same person and require to be specifically designed for each client after the initial sales interaction. However, an important note here is that even though the design service itself is

intangible, i.e. the act of facilitating value creation for the client by the means of designing, the outcomes of this service can have different levels of tangibility or intangibility. In the field of design, these are referred to as the *touch points* of design (Best, 2011), whereas the business academia in the domain of service marketing defines these as the *distribution mechanisms* of service (Vargo and Lusch, 2004; Grönroos, 2011). In this study, the outcomes of the design services are a product, a retail package and an organisational training programme to accomplish cultural change.

Ornamo, The Finnish Association of Designers, define design agencies as specialised service providers that generate and provide new thoughts and knowhow to their clients in the fields of industrial design, graphic design, and interior design (Ornamo, 2016). This study includes also service design, concept design, strategic design, and branding services as they are also offered by Finnish design agencies (Pitkänen et al., 2011). Hence, design agencies can be categorised as providing knowledge intensive business services (KIBS) that according to Muller and Zenker (2001:1503–1504) feature the following key characteristics: the knowledge-intensity of the service provided, the function of consulting or problem-solving, and the strongly interactive or client-related character of the service provided.

In other words, KIBS firms are professional organisations whose primary value creating activities involve the accumulation, creation, or dissemination of knowledge to provide a customised service or solution to satisfy the client needs (Bettencourt, Ostrom, Brown and Roundtree, 2002:100–101). As KIBS offerings are complex and client-specific, service providers are dependent on their clients to define their needs, requirements and usage contexts (Tuli, Kohli and Bharadwaj, 2007; Nordin and Kowalkowski, 2010). Thus, delivering an optimal solution to the client's specific business context and needs necessitates an active co-production role from the client (Bettencourt et al., 2002). Clients may however lack the knowledge, skills, and understanding to articulate the needs and problems they are facing, leading to ill-defined problems requiring skills from the service provider to diagnose the actual problems and needs at hand (Nordin and Kowalkowski, 2010; Aarikka-Stenroos and Jaakkola, 2012). Hence, a successful exchange of the complex KIBS offerings require a highly interactive and collaborative problem-solving process between the client and the service provider. This problem-solving process is discussed more in detail in Section 2.2.

Defining design services as knowledge intensive business services (KIBS) helps to examine the sales interaction as the definition of KIBS enables to unravel the unique consequences that such services pose for the interaction between the client and the seller. As to be explicated in Section 2.2., sales of design services is seen as a process of problem-solving where the specific characteristics of KIBS in terms of complexity, high levels customisation, and the intangibility of the design service provided are seen to play a role. Next, the dimension of intangibility of design services is discussed more in detail.

2.1.1.1. Intangibility of the design service

In the scope of this study, the complexity of the design service offered is considered to play a role for the client's assessment of the design service in the sales interaction. Hence, it is assumed that the client's purchase criteria differ across different types of design services based on their complexity. Based on the discussion of the evolving scope of design, the complexity of the design service purchased is determined outgoing from the *tangibility versus intangibility* of the service and its outcome. This intangibility is considered along the three dimensions of intangibility as defined by Laroche et al. (2001). In the design context, the *physical intangibility* refers to the extent to which information about the design service and its outcomes can be received through human senses (Zeithaml et al., 1985). The *mental intangibility* is considered through the *open-endedness* of the problem and *subjectivity versus objectivity* of the assessment as these both can be seen to affect how a design service can be cognitively understood, i.e. can the assessment be based on objective and rational or more artistic and creative basis. The *generality* dimension is not considered, as in the context of design as a knowledge intensive business service, all the design solutions are seen non-general, i.e. customised to each customer's specific needs. To capture the spectre of different design activities and their effects on the sales interaction, I have chosen to study three cases with different areas of design, i.e. product design, graphic design, and service design. Each of these cases are described more in detail in Section 4.1.

2.1.2. Role of design in organisations

Existing research on design management has not yet managed to unanimously define the role and identity of design within organisations (D'Ippolito, 2014; Dumas and Whitfield, 1989). Furthermore, the scope of design activities is in a constant change affecting the positioning of design and its functions within an organisation (Eneberg and Svengren Holm, 2015). Hence, in the organisational context, design often emerges as a diffuse concept causing challenges both for a successful integration of design into other functions of the organisation and an efficient management of design activities (Dumas and Whitfield, 1989; Ravasi et al., 2008; Eneberg and Svengren Holm, 2015). Design is often present in several corporate functions, including product development, marketing, and general corporate communications making both the design project and its objectives challenging to manage (Lindström, Nyberg and Ylä-Anttila, 2006). In other words, as the scope and role of design are not clearly defined, neither are the responsibilities, objectives, or budgets (Dumas and Whitfield, 1989).

Traditionally, these challenges with managing design have been explained with the fundamental differences between the fields of design and business in terms of education, background, attitudes, goals, and priorities (Walker, 1990; Ravasi et al., 2008; Best, 2011). This has led to a lack of mutual understanding of design, its scope and its possible contributions in an organisation (Dumas and Whitfield, 1989; Bruce and Bessant, 2002). Hence, managers that are not aware of the potential that design can offer, see design as irrelevant styling or as an excessive cost, rather than a long-term investment for improving the business performance (Best, 2011). Designers and managers also very often adopt different approaches to solving problems: whereas designers aim for exploring new areas for innovation, managers are trained for analytical thinking and seek to avoid risk and ambiguity in order to secure continuity and stability (Ravasi et al., 2008). Finally, managers responsible for making design related decisions usually have little or no education in design, leading to decisions being made based on gut feeling and common sense that are affected by the managers' personal opinions (Filson and Lewis, 2000; Viladàs, 2011).

In order to manage this tension and to enhance the collaboration between these two different fields of expertise, some scholars have turned to emphasizing the important role of the design manager (Borja de Mozota, 2003; Gorb, 1990). Studies have in fact shown that companies that manage design effectively and efficiently perform better than those that do not (Chiva and Alegre, 2009). Design management thus has a

mediating role for the success of design projects and collaborations between managers and designers (Chiva and Alegre, 2009; Gemser and Leenders, 2001). Hence managing designers and integrating their contributions into the other corporate functions is critical in order to take advantage of the potential benefits of design (Ravasi et al., 2008; Filippetti, 2010).

Another aspect affecting the objectives and expectations of outcomes and added value is the level of design use, i.e. the design maturity, of the organisation. Design maturity affects the scope in which design is applied in an organisation and what kind of roles it takes on in the scope of the overall business. Hence, the level of design application also affects the expected value outcomes of the project. Design management, design maturity, design value, and their effects on the sales interaction between design agencies and their clients are discussed more in detail in the following sections.

2.1.2.1. Design management

Design management, as defined by Gorb (1990:2), refers to “the effective deployment of the design resources available to an organisation in the pursuance of its corporate objectives”. However, later on the concept of design management has evolved beyond its initial role associated with project management and the product development process into a more holistic process of managing the link between design, innovation, technology, management, and consumers to provide competitive advantage with respect to economic, social, cultural, and environmental factors (Erichsen and Christensen, 2013; Design Management Institute, 2017). Essentially, design management is seen as a facilitator between the two different fields of design and business enabling communication, information flow, and integration of ideas, thus promoting the integration of the design philosophy in the overall strategy of the company (Gorb, 1990; Borja de Mozota, 2003; Ravasi and Lojacono, 2004; Ravasi et al., 2008). Further, design management is also about managing the relationship between the different roles between clients, designers, project teams, and other stakeholders (Best, 2011).

Hence, in the sales interaction between an external design agency and a client firm, the client lead can be seen to take on the role of a design manager as she or he is in the position of facilitating the communication and integration of design ideas and solutions into the overall strategy and objectives of the company. Pitkänen et al. (2011)

argue that the competence of both the representatives of the client and the design agency is likely to have an effect on project outcomes. According to Filippetti (2010), the client lead plays a crucial role in addressing the communication problems between external designers and the firm's management, and therefore the choice of the client lead and his or her position in the organisation plays a crucial role for the outcome of the collaboration. Further, Eneberg (2011) found that the client's knowledge affects the aspects he or she pays attention to when framing design projects. According to Ravasi et al. (2008), design agencies attribute the success of the design projects to the client's capacity to understand and appreciate design as well as the client's openness towards design proposals. The failure of projects was on the other hand connected to the inability of the client to craft and articulate briefs with clear goals (ibid.). Therefore, the design literacy of the client and consequently the design agency's ability to adapt to the client's level of understanding can be argued to affect the sales interaction.

Hence, the design literacy of the client lead is seen to affect his or her ability to frame design-related problems and assess the solutions proposed by the design agency. As existing research has shown, business managers are often not well equipped to deal with fuzzy problems, high levels of ambiguity, and subjective assessments (Ravasi et al., 2008). As discussed above, the complexity of the design service affects the client's ability to deal with the problem and it can be assumed that design problems dealing with higher levels of uncertainty, open-endedness, and intangibility also require higher levels of design literacy from the client. This is in line with the findings of Eneberg and Svengren Holm (2015) showing that industrial design consultancies still struggle in demonstrating the value of their more intangible and strategic offerings as most clients associate design with styling and functionality of artefacts. Further, Nordin and Kowalkowski (2010) and Tuli et al. (2007) have shown that in the context of complex offerings, customers may lack the necessary knowledge and skills to articulate their needs, requirements, and the usage context to the supplier.

2.1.2.2. Design maturity

Best (2011) argues that design can be given different definitions based on the level of design competency of the organisation applying design, ranging from merely considering the aesthetics and styling to using design as a strategic tool. Use of design and its integration in the organisation is influenced by several company specific factors such as the type of industry, the importance of design for the overall strategy of the

company, the design consciousness amongst decision-makers, and the attitudes and educational backgrounds of managers (Dumas and Whitfield, 1989; von Stamm, 1998). The level of design maturity influences the extent and intensity to which design is applied in an organisation and therefore what kind of impacts and added value it can create (Borja de Mozota, 2006; Best, 2011; Celaschi et al., 2012). Further, the decisions companies make may vary depending on the design awareness of each company (Viladàs, 2011). Hence, the level of design application affects what kind of problems the client considers can be solved with design and what kind of outcomes and added value are expected.

A widely-spread framework for assessing the design competency or design maturity of an organisation is the Design Ladder by Danish Design Centre (2003, 2015). The Design Ladder is a tool for illustrating and rating a company's use of design, categorising the design use in four distinct categories: *no design*, *design as form-giving* (previously styling), *design as process* and *design as strategy* (Danish Design Centre, 2015). On the first stage of the ladder, design is an invisible part of product development and the task is not carried out by trained designers. Design decisions are based on the personal perceptions of functionality and aesthetics by those involved in the project. Thus, the perspective of end users plays little or no role in the process. On the second stage, design is relevant only in terms of form-giving and styling of the final physical object in the form of product development or graphic design. Here, design is often perceived as a final aesthetic finish and may be carried out by professional designers but is generally done by people with other professional backgrounds than design. The third level expands the scope of design to be integral throughout the development process. Hence, design is not a result but rather an approach that is introduced early on in the development process. Design solutions are driven by problems identified in the user interface and require a multidisciplinary approach with a wide variety of skills and capacities. Finally, the fourth stage gives strategic meaning to design and considers design as a key strategic element in the business model of the company. Hence, designers work with the company owners or managers and focus on solving challenges related to the business vision and desired areas of future business. The stages of the ladder are summarised in Figure 1.

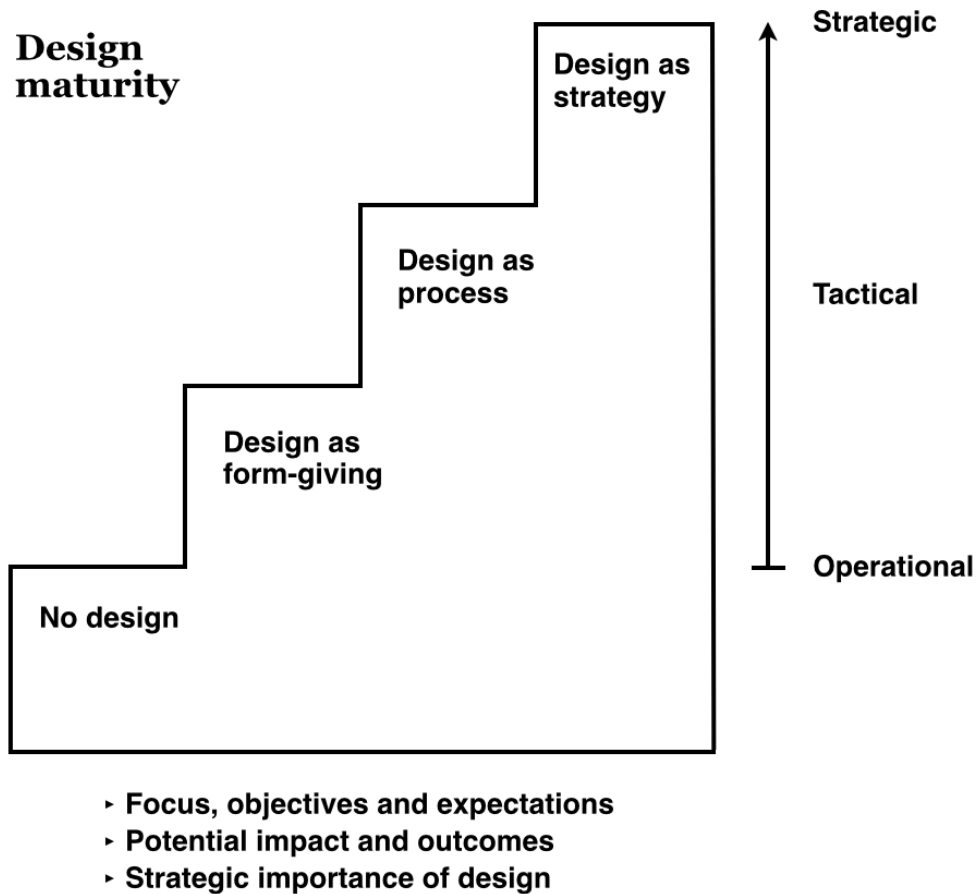


Figure 1: Effects of design maturity on strategic importance and focus of design, adapted from Danish Design Centre (2003), Borja de Mozota (2006), Joziassse (2000), and Best (2006)

As we can see here, both the objects of design and impact in terms of the overall business vary substantially across the different stages. The higher the position is on the ladder, the greater the strategic importance of design in that organisation (Kootstra, 2009; Whicher et al., 2011). Existing research has also shown that higher positions on the ladder lead to more positive outcomes on the design investments (Danish Design Centre, 2015). Ravasi et al. (2008) found that design-oriented companies, i.e. companies that allocate design a high status in their competitive strategies and brand policies, are the easiest clients to collaborate with.

The design maturity can also be assessed based on the organisational levels that design is applied on, forming a continuum from operational use to strategic use (Joziassse, 2000; Borja de Mozota, 2003; 2006). At *the strategic level*, design is used as a source of competitive advantage and a catalyst for change, and design management is present on the corporate level (Joziassse, 2000; Best 2006). At *the tactical level*, design is employed to identify new market opportunities and generate unique product concepts, and design management deals with the business unit level (idib.). Finally, at *the operational level*, design is concentrated on the efficiency and effectiveness of the

of the design process, the design team, and individual design projects, and design management coordinates outsourced design projects and assesses the functioning of design, marketing, and branding (Joziassse, 2000; Borja de Mozota, 2003).

The level of design use is also reflected in the organisational position and roles of the decision-makers. Ravasi et al. (2008) found that design agencies contribute the success of design projects to the support gained from top management and the contact person's ability to champion the project internally in the client organisation. Further, involvement of and possibility to interact with all relevant functions was considered important to achieve successful outcomes (ibid.). According to the findings of Eneberg and Svengren Holm (2015) industrial design consultancies deem the commitment at the top management level as a key requisite for working with design as a strategic tool. Hence, if the client lead is on operational level in the organisation, he or she probably pays attention to issues on the operational level and does not have the power in the organisation to accomplish strategic impact through the use of design.

To conclude, it is important to understand the level of design maturity in order to determine what aspects of the design service the client will focus on and what kind of objectives and expectations are set for the project. Secondly, the level of design application in the client organisation affects the potential impact and added value design can create. Finally, the level on which the design service is applied in the organisation can reflect the importance given to the project, also affecting who in the organisation are involved in making decisions.

2.1.2.3. Dimensions of design value

The value of design services is created in a design process and in interaction with the client. The design process can be described as an iterative problem-solving process characterised by analysis, synthesis, and creativity with the objective of transforming the aspirations of a business proposal or challenge into a final solution (Best, 2011). Along these processes, designers envision people-centred solutions and seek new creative possibilities in product, service, and organisational contexts (ibid.). The artistic and creative dimensions are a central part of these processes and designers' competences (Eneberg and Svengren Holm, 2015). Hence, the key resources of design agencies reside in people and their knowledge, skills, and competences (ibid.). Eneberg and Svengren Holm (2015) argue that utilising their knowledge, skills and

competences, designers can support the value creation processes of their clients along three dimensions. First, designers can *facilitate* clients' processes as they have good cross-functional and inter-organisational integration and visual communication skills. Secondly, their *integration* skills are related to brand and product integration, technology brokering, and bridging of different competencies. Third, designers have visual *communication* skills that can be utilised in visualising complex or intangible problems and ideas, enabling communication between different disciplines in abstract problem-solving activities. Eneberg and Svengren Holm (2015) conclude that the value of design service can emerge in two ways in line with the definition of Normann (2001), i.e. relieving or enabling. In design context, relieving means outsourcing design tasks such as visual communication or product design to an agency, whereas enabling refers to a learning situation where the agency transfers its knowledge and competencies to the client in a collaborative manner.

As outlined earlier, design can possess multiple roles in an organisation. Borja de Mozota (2006) identifies four distinct roles for design and links these to the potential of design to create value for an organisation (see Table 2). Hence, based on the extent of design application, design takes on different roles in creating added value (Borja de Mozota 2006; Celaschi et al., 2012). First, design can act as a *differentiator* creating market-based competitive advantage leveraged through differentiation on the company's products, services, or corporate identity and brand. Hence, the value unravels in the form of market, customer, or brand value. Secondly, design can take the role of an *integrator*, i.e. a resource enabling the improvement of current processes and offerings. Here, the value resides in processes and resources that are difficult to imitate and takes the form of for example innovation, shorter times to market, or improved R&D. Third, design can be a *transformer*, i.e. a resource that creates new business opportunities by improving the company's ability to cope with change or interpret opportunities on the marketplace. In this case, value is strategic and arises through organisational learning, change management and vision, and empowerment. Finally, design is a source of good business in terms of increased sales, higher margins, brand equity, greater market share, or as a resource for the society at large. (Borja de Mozota, 2006.)

Table 2: Value dimensions of design, adapted from Borja de Mozota (2006)

Differentiator Design as market-based competitive advantage: <ul style="list-style-type: none"> - Market value - Customer value - Brand value - Price premiums 	Integrator Design as resource for process improvement: <ul style="list-style-type: none"> - Resource based value - Process improvements - Innovation - Improved R&D
Transformer Design as vision and learning: <ul style="list-style-type: none"> - Strategic value - Org. learning - Org. change 	Good business Design as good business: <ul style="list-style-type: none"> - Sales - Profit margin - Brand equity - Market share - Value for society

The focus here is not to uncover ways to unravel the absolute value of different design services, but rather to understand how the different modes of applying design can affect the value aspects the client focuses on. This understanding enables the design agencies to shape the sales communication accordingly and focus on value aspects that resonate with the client's understanding and expectations.

2.1.3. Summarising design-related factors affecting client evaluations of design purchases

Based on literature in the domains of design and knowledge intensive business services, the factors affecting client evaluations of design purchases can be divided into two categories: those that are related to the service offering itself and those that reside in the client organisation (see Table 3). The underlying logic here is that the different levels of service complexity and the different levels of design application in an organisation affect the criteria set for framing design problems and evaluating solutions as well as the outcomes and added value expected from the design project. These framings and evaluations are in turn affected by the client's design literacy as different levels of complexity are expected to require different levels of expertise. How these design-related factors affect the purchase behaviour of clients is discussed more in detail in Section 2.3. in relation to literature on organisational buying behaviour.

As outlined earlier, the scope of design has expanded into new areas, making the service selection of design agencies more complex, multifaceted, and in many cases increasingly intangible. This poses new challenges for both the sales and purchasing of different design services. Hence, the factors related to the type of the design offering are determined by the complexity of the offering in terms of its intangibility and knowledge-insensitivity in an interplay with the design literacy of the client.

Existing literature on design management has shown that design can take on various roles in an organisation based on the design maturity of the organisation and the design literacy of the managers. In the context of selling design services, the design literacy of the client lead affects his or her ability to frame design-related problems and assess the solutions proposed by design agencies. The position of the client lead also reflects the importance given to design in an organisation and affects the level on which design can be applied. Design maturity reflects this level of design application in the organisation and affects what kind of problems the client considers can be solved with design and what kind of outcomes and added value are expected. Hence, the level of design application in the client organisation affects the potential impact and added value design can create.

Table 3: Design-related factors affecting client evaluations of design purchases

Design-related factors affecting client evaluations of design purchases	
<p>Complexity of design in terms of intangibility</p> <p>Physical intangibility: Ability to obtain information on the offer</p> <p>Mental intangibility: Subjectivity vs. objectivity, open-endedness</p> <p>Complexity of design in terms of knowledge-intensity</p> <p>Level of customisation</p> <p>▸ Related to offering type</p>	<p>Position and importance in the organisation</p> <p>Design literacy of the client lead: Capacity to understand design, openness to proposals, ability to frame briefs</p> <p>Design maturity: Strategic importance, focus and objectives, potential impact and outcomes</p> <p>Design value: Expectations for value outcomes</p> <p>▸ Related to client organisation</p>

2.2. Selling design services

In this study, design offerings are viewed from a service perspective and defined as knowledge intensive business services. The underlying purpose here is to highlight the intangible, knowledge-intensive, and client-specific nature of design services. Hence, each solution is crafted to the special needs and context of the client and such service solutions are thus co-created in joint problem-solving processes (Aarikka-Stenroos and Jaakkola, 2012). This approach is in line with the contemporary developments taking place in the domain of marketing, shifting the focus from the exchange of pre-defined goods and services to customised solutions and a concept of relational and interacted value (Vargo and Lusch, 2004; Grönroos 2011). This development naturally has its consequences on how the role, practices, and content of sales can be conceptualised (Sheth and Sharma, 2008; Haas et al., 2012).

Academia has only begun to explore the value creating role of sales, and hence research does not yet fully reflect the evolved, interaction-based understanding of creating relationship value and the role of sales in the creation of this value (Haas et al., 2012). Nevertheless, it is evident that sales is no longer about the traditional logic of conceiving, producing, and delivering value, as business solutions and services have become increasingly complex and customer-specific, necessitating the inseparable production and selling of such solutions in a collaborative problem-solving process with the client (Vargo and Lusch, 2004; Tuli et al. 2007; van der Valk and Rozemeijer, 2009; Aarikka-Stenroos and Jaakkola, 2012).

Haas et al. (2012) studied the consequences of the evolved interaction-based and relational concept of value creation for the role and content of the sales function, and developed an interaction-based framework of sales' key tasks in creating relationship value. One of the identified categories deals with the socio-cognitive construction of value with the subsequent sales' key tasks of 1) disclosing actors' perceptions of value, 2) enabling mutual understanding, and 3) creating collective meaning among relationship partners. Such approach focusing on enhancing communication and enabling mutual understanding seems intrinsically insightful, as the primary challenge in selling design services currently resides in creating mutual understanding of what design actually means and how it renders value in the scope of the overall business of the client. More specifically, this task of sales to enable mutual understanding is studied by applying the concept of alignment through a process of problem-solving, i.e.

how the seller and the client can reach alignment on their interpretations of design-related problems and solutions.

To conclude, this section first discusses the changing roles of sales and its consequences for the sales practices in business-to-business service markets, where the relational or service logic of value is seen as the most fruitful perspective for capturing the essence of marketing (Vargo and Lusch, 2004). Secondly, value as a socio-cognitive construct and the concept of alignment as a problem-solving process are more thoroughly introduced and linked to the operational realm of sales practices. Finally, this section also reviews the current literature on selling design with a special focus on outlining the processes, means of communication, and the sales practices currently applied.

2.2.1. Effects of the relational perspective on the roles and content of the sales function

Sales is a sub-field of marketing and therefore the sales interactions studied need to be understood in the broader scope of marketing theories on how firms interact with their customers (Richards, Moncrief and Marshall, 2010). Whereas marketing was traditionally seen from a transactional perspective focused on the exchange of goods and services that embody the value for the customer, the contemporary relational perspective on marketing stresses the interdependence of the supplier and the customer and value originating in the interactions and relationships between these two actors (Vargo and Lusch, 2004; Ulaga and Eggert, 2005; Grönroos, 2011; Haas, Snehota and Corsaro, 2012). In other words, this means moving from a goods-dominant logic, where the focus is on communicating the superior product features and creating competitive advantage on basis of them, to a service-dominant logic, where the value resides in the relationship and co-creation of the customer's value-in-use (Vargo and Lusch, 2004; Grönroos, 2011). Hence, the contemporary dominance of the relational perspective on marketing has fundamentally changed the perception of how value is created in customer-supplier relationships.

2.2.1.1. Relational perspective on value

Customer value has always been considered a cornerstone of management and marketing, and the creation of superior value has been seen as the key to a firm's long-term survival and success, and hence a source of competitive advantage (Woodruff,

1997; Anderson and Narus, 1998). Customer perceived value is commonly defined as the trade-off between benefits versus sacrifices as perceived by the customer (Zeithaml, Sánchez-Fernández and Iñiesta-Bonilla, 2007). In business-to-business markets, the dominating focus in marketing has been the conceiving, producing, and delivering of superior customer value (Andersson and Narus, 1998). However, the relational perspective, predominantly associated with either service-dominant logic (Vargo and Lusch, 2004) or service logic (Grönroos, 2011), has revolutionised the value thinking in marketing, with its focus on interdependent and interactive customer-supplier relationships where the value unravels through co-creation and the customer's value-in-use (Grönroos, 2011).

Service logic has thus challenged the traditional view of value being embedded in offerings produced by supplier and regards that value is created in the users' processes of value-in-use (Grönroos, 2011). Hence, customer is always the value creator and value emerges when the customer uses a set of resources provided by a supplier as a part of their value generating practices. In this way, the supplier *facilitates* the customer's creation of value-in-use by providing them with valuable resources. According to the resource based view of service-dominant logic, the most valuable supplier resources are relevant knowledge, competencies, abilities, and relationships that are hard to imitate (Vargo and Lusch, 2008). Another important dimension of value creation according to the service logic are the interactive processes through which suppliers can take part of the customer's value creation processes and thus *co-create* the customer's value-in-use (Grönroos, 2011).

Haas et al. (2012:95) places an even greater emphasis on the interactions in a supplier-customer relationship and concludes that "a systematic conceptualisation of value creation in business relationships has to reflect the nature and characteristic of the interaction process in which relationship value is created". Hence, they propose four intertwined facets, i.e. *jointness*, *balanced initiative*, *interacted value*, and *socio-cognitive construct*, that characterise value creation in business relationships and identify the consequences of these facets for the key tasks and roles of the sales function. *Jointness* refers to sharing and integrating of resources, activities, skills, and knowledge of the supplier and the customers to a solution of value. In accordance with the service logic, value is embodied as value-in-use. *Balanced initiative* stresses the role of the customer as an active actor in the process of conceiving effective solutions and unravelling value. This is inevitable primarily out of two reasons. First, solutions

often consist of complex sets of resources, competences, and activities that need to be customised to the customers' requirement definitions (Tuli et al., 2007, Vargo and Lusch, 2008; Haas et al., 2012). Secondly, value is always produced in the customer sphere (Grönroos, 2011). The dimension of *interacted value*, deems that solutions emerge through a mutually creative dialogue and hence solutions are enacted in customer-supplier relationships and therefore continuously conceived and re-invented (Cantù, Corsaro and Snehota, 2011). Hence, interaction continuously produces emergent solutions, and what actually happens in these interactions is dependent on the reactions of the counterpart due to the interdependence of the actors and complexity of the sought for solutions. Further, the interaction is seen critical in situations where it is impossible to avoid uncertainty, such as in selling design where the characteristics of design services are difficult to observe in advance and can be ascertained only on consumption.

Finally, this study places a greater emphasis on the fourth dimension of relational value, i.e. value as a *socio-cognitive construction*, according to which value is a product of individual perceptions rather than a function of the qualities or attributes of an offering or a relationship (Haas et al., 2012). Hence, value is experiential, phenomenological, and subjective to each actor in the interaction, and depends on the social and cognitive processes in which value is both produced and perceived. Actors make choices and determine the potential value outcomes based on perceptions and interpretations, placing a central interest on how people both represent and interpret value (Corsaro, 2014). Different contexts thus affect what actors consider as being of value. In the scope of this study, the socio-cognitive construction of value is especially interesting as this study builds on the logic that the client's design literacy in an interplay with the service complexity as well as the significance of design in the scope of the overall business of the client affect how clients evaluate design services, i.e. what they focus on in their perceptions and interpretations of what is of value.

Overall, seeing value from a relational and interacted perspective places an increased importance on understanding the customer both on individual and organisational levels. As value is phenomenological and depends on individual perceptions, it is important to understand how client leads perceive and interpreted design outgoing from their cognitive processes and expertise as well as in the scope of their organisational context. Secondly, design services are highly customised solutions to the client's needs and business contexts. Hence, in order to facilitate value creation for the client and to

create possibilities for the co-creation of value-in-use, design agencies need to understand their offering in the scope of the client business and how it can be integrated to it in order to unravel value.

2.2.1.2. Role of sales in relational value creation

The relational perspective on marketing and value creation naturally has its consequences for the content and roles of the sales function that evidently plays an important role in building and maintaining customer relationships and creating customer value (Haas et al., 2012). In a business-to-business context, sales is increasingly associated with solution development and the emphasis is no longer on merely selling new products and services but also on managing the ongoing relationships with customers and co-creating value with them (Storbacka, Ryals, Davies and Nenonen, 2008). This development has given rise to research streams such as *customer-oriented selling* (Saxe and Weitz, 1982), *adaptive selling* (Spiro and Weitz, 1990), *solution selling* (Tuli et al., 2007) and *value-based selling* (Töytäri, Brashear Alejandro, Parvinen, Ollila and Rosendahl, 2011; Terho, Haas, Eggert, Ulaga, 2012; Töytäri and Rajala, 2015), all with the underlying aim of explaining how sales can take part in producing value in business relationships and demonstrating a heightened understanding of the customer business context and needs. However, these streams of research have gained criticism of being too unspecific of the actual content, roles, and practices of the sales function in terms of value creation in the realm of the relational view of customer value (Haas et al., 2012). Further, despite the contemporary emphasis on collaboration and mutual co-creation of value, the fields of purchasing and sales have remained rather separated, and value creation is studied either from the buyer's or the seller's perspective.

Haas et al. (2012) took a step further and developed an interaction-based framework of sales' key tasks in creating relationship value. The framework identifies 14 intertwined key tasks of sales that are derived from the four facets of relational value described earlier. Each of these tasks along with the relational dimensions of value are summarised in Table 4. The remainder of this section focuses on outlining the consequences of the socio-cognitive construction of value, which is of special interest in the scope of this study, on the role and content of the sales function.

Table 4: Interaction-based framework of sales' value-creating tasks (Haas et al., 2012)

Relational value as an interaction process			
Jointness value in business relationships is produced because two resource sets are linked, joined and interfaced <ul style="list-style-type: none"> • Identify key relational processes • Interface resources • Connect to value network 	Balanced initiative both parts to the relationships have the resources and the competence to take the lead in, and may initiate, producing the value <ul style="list-style-type: none"> • Identify and activate relevant actors • Foster two-way communication • Enable mutual learning • Establish co-leadership 	Interacted value interactions continuously produce emergent solutions of value which have not been anticipated, but can be temporarily stabilised, by the interacting parties <ul style="list-style-type: none"> • Facilitate interactions • Manage emergent situations • Recognise value-related patterns • Freeze value-providing solutions 	Socio-cognitive construction value is phenomenological in as far as it depends on social and cognitive processes in producing and perceiving the value <ul style="list-style-type: none"> • Disclose actors perceptions of value • Enable mutual understanding • Create collective meaning

Understanding value as phenomenological and product of individual perceptions that are affected by the social and cognitive processes in which value is both produced and perceived, the primary tasks of sales become 1) disclosing actors' perceptions of value, 2) enabling mutual understanding, and 3) creating collective meaning among relationship partners (Haas et al., 2012). In other words, the role of sales essentially becomes that of enhancing communication between the seller and the customer. Disclosing actors' perceptions of value refers to understanding each actors' subjective ideas about the key dimensions of value for him or her. Consequently, the key task of sales becomes ascertaining that the actor-specific value perceptions are known and reflected in the value creation efforts. Secondly, the task of enabling mutual understanding deals with both alignment of heterogeneous framings and the enhancement of communication. Alignment of problems and solutions as well as the ways of perceiving and interpreting information is crucial for effective interactions and for value to emerge. Enhancing communication deals with influencing the framings of problems and solutions and the overall value generated by the relationship in general. Finally, the task of creating collective meanings enables actors to both influence and be influenced by the individual perceptions of the counterpart. Hence, this enables the seller to change dysfunctional meanings shared with the client, e.g. changing the client perceptions of design as merely aesthetics or styling to seeing design as a strategic asset for the creative development of the organisation. (Haas et al., 2012.)

Understanding sales as an activity of enhancing communication and enabling mutual understanding, appears as an intrinsically insightful approach for understanding how design agencies can shape their sales practises to enable mutual understanding with

their clients unravelling the full potential of design value. This necessitates understanding the client and their perceptions and interpretations of design and its potential to create value in the scope of their overall business. In the scope of this study, these client perceptions are considered to be influenced by the client's design literacy in an interplay with the service complexity as well as the strategic level of design application in the organisation. In order to ascertain that the actor-specific value perceptions are reflected in the value creation efforts and to create mutual understanding between the client and the seller, this study employs the concept of alignment of the perceived problems and solutions. Consequently, in the scope of this study, sales is seen as a problem-solving process with the aim of reaching alignment on the problems and solutions for value to emerge. This alignment on problems and solutions as well as the related sales practises to reach this alignment are discussed more in detail in the following.

2.2.2. Sales as a problem-solving process enabling alignment

This study sees sales as a problem-solving process where the aim is to reach alignment on the framing of the problem and the solution in order for value to emerge. In business-to-business marketing, alignment is considered to be an important driver of value creation between customers and sellers (Cox, 2004). On the other hand, customer and seller interpretations of problems and solutions are insightful as they appear to influence the customer and seller behaviours in interactions, their strategic choices as well as their choice of a solution for a given problem (Kaplan, 2008). Hence, Corsaro and Snehota (2011) approached alignment from the perspective of problems and solutions and argue that alignment can be related to the extent to which the customer's and the seller's interpretations of the customer's problems and solutions match with each other.

The concept of alignment as problem-solving as defined by Corsaro and Snehota (2011) is considered well-suited for the context of design where problems might be hard to frame due to their intangibility, complexity, open-endedness, and the fact that it is difficult to determine the characteristics and value of design services prior to purchase and use. In other words, framing design-related problems and setting specifications for the desired outcome might be challenging as clients may lack the knowledge, skills, and understanding to articulate their needs and problems (Tuli et al.,

2007; Nordin and Kowalkowski, 2010). Therefore, it becomes increasingly important to align on the framing of the problem in order to be able to craft value-adding solutions.

Corsaro and Snehota (2011) break down the problem-solving process into four “spaces” that represent the customer and supplier interpretations of problems and solutions: *customer-perceived problem*, *supplier-perceived problem*, *supplier-conceived solution*, and *customer-perceived solution* (see Table 5).

Table 5: Customer and supplier problem and solution spaces, adapted from Corsaro and Snehota (2011)

Customer-perceived problem Customer perception of a given problem, its features and desired outcomes	Supplier-perceived problem Supplier interpretation of the customer problem	Supplier-conceived solution Combination of resources and competences deemed suitable for solving the customer problem	Customer-perceived solution Customer perception of the desirability and value of the solution
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Customer-perceived problem

The customer-perceived problem represents the customer’s understanding of a given problem, its features, and desired outcomes (Corsaro and Snehota, 2011). As managers are pressed on time and resources, they must trust on simplified representations of the world and use certain frames to define and interpret problems, which in turn affects their perceptions of solutions (ibid.). Schön (1983) emphasises the importance of framing for the effectiveness of the client-consultant relationship and deems that framing a problem situation is the basis of any problem-solving process. These frames are needed to evaluate the resources and competences required to solve a given problem as well as the evaluation of the desirability of the resulting solutions (Schön, 1983; Corsaro and Snehota, 2011). Heusinkveld and Visscher (2006) also emphasise the role of the customer’s perception of the problem on the development of the solution. However, as discussed in relation to KIBS offerings, clients may struggle in articulating their needs and problems or may not have clearly defined preferences for the outcome of the process. Given the importance of the problem framing for the remainder of the problem-solving process, it is astonishing how little research has been aimed to uncovering how clients actually set these frames and what affects these framings (Nordin and Kowalkowski, 2010). This has led to both companies and researchers taking problems for granted, defining them loosely or expecting that customers can precisely define their problems and needs (ibid.). Hence,

gaps between customers' and suppliers' perceptions of problems are common (Corsaro and Snehota, 2011). This study aims to fill this gap by studying what customers focus on in evaluating design purchases and what aspects affect these evaluations, i.e. how clients set the frames for defining problems and evaluating the desirability of the outcomes (see further discussion in Section 2.3.).

Supplier-perceived problem

Supplier-perceived problem refers to the supplier's interpretation of the customer's problem definition and thus affects the supplier's decision to deliver a certain solution (Corsaro and Snehota, 2011). Further, the supplier perception affects the judgement of suitable resources and competences for solving the problem. Hence, delivering value-adding solutions requires an understanding of the client problem (Miller, Hope, Eisenstat, and Galbraith, 2002). As problems can be interpreted in a number of ways, creating mutual understanding on the framing of the customer problem is critical for the effective development of value-adding solutions (Corsaro and Snehota, 2011; Haas et al., 2012). According to Heusinkveld and Visscher (2006) consultants often tend to challenge the problems and solutions their clients articulate and take the client framings rather as a starting point for further exploration. Similarly, in the field of design, Ravasi et al. (2008) found that designers tend to challenge briefs formulated by their clients. Consequently, sellers of KIBS might assume that their clients cannot fully articulate their needs.

Supplier-conceived solution

The supplier-conceived solution consists of the combination of resources and competences that the supplier deems suitable for solving the customer's problem (Corsaro and Snehota, 2011). Hence, the supplier-conceived solution depends on the supplier's assessment of the solution space, i.e. the range of possible solutions to a given customer problem. To avoid gaps between the supplier-conceived solution and how the customer perceives it, Snehota and Corsaro (2011) emphasise the importance of making the features and functions of the solution evident to the customer. This links to the sales task of aligning of heterogeneous framings and the enhancement of communication between the seller and the customer as described by Haas et al. (2012). However, no concrete sales practices are suggested to ensure this alignment.

Customer-perceived solution

The customer-perceived solution refers to the customer's judgement of the solution delivered by the supplier (Ulaga and Eggert, 2005). As the value of a solution unravels through the customer's value-in-use (Grönroos, 2011), the value of the supplier's solution is determined by the customer. As value is phenomenological, perceptual, subjective, and dependent on the interaction (Haas et al., 2012), each actor interprets a solution and its value potential differently. Gaps in the customer-perceived and supplier-conceived solutions may thus arise if the customer deems that the solution does not fit the framing of the problem. In cases where the customer problems have been ill-defined and thus also mislead the development of value-adding solutions, sellers should try to challenge the dysfunctional meanings formed by the client and influence them to reconsider the framing of the problem and to see the solution in a new light (Corsaro and Snehota, 2011; Haas et al., 2012).

Even though the problem and solution spaces outlined by Corsaro and Snehota (2011) give an insightful outline for understanding alignment as a problem-solving process, they do not specify what sellers and customers should actually do in the sales interactions in order to reach alignment. Mortensen (2015) expands this framework of alignment as a problem-solving process and links it to the actual actions taken in sales interactions. These sales practises for reaching alignment on the framings of customers' and sellers' problems and solutions are discussed in the following.

2.2.2.1. Sales practices to reach alignment on problems and solutions

Mortensen (2015) studied sales interactions in the empirical context of Danish advertising agencies with a theoretical framework combining business-to-business sales and co-design literature. The aim of the study was to compile the existing suggestions on sales people behaviours aimed at reaching alignment in sales interactions and link these behaviours to the different aspects of the problems and solutions that clients and seller actually align on. The specific focus of the study was on how visual and tangible representations were used to reach this alignment. Based on an extensive literature review in the fields of business-to-business sales and co-design as well as an empirical exploration of the face-to-face sales interactions between advertising agencies and their clients, Mortensen (2015) developed a conceptual framework on the sales interactions including four dimensions: context, actions and mechanisms, outcome, and representation formats (see Figure 2). The main findings of

the study outline the aspects of the problems and solutions that the actors can align on as well as the sales practises taken to reach this alignment. As Mortensen's (2015) framework is rather detailed and multifaceted, this study employs a simplified version of the framework with an emphasis on the dimensions of actions and mechanism and representation formats, which in the scope of this study are considered as the sales practices design agencies can take to reach alignment across different sales situations.

Based on a review of business-to-business marketing and sales literature, Mortensen divided the sales settings into either relational or transactional and focusing on sales of either products or services. In the scope this study, design is studied as a knowledge intensive business service (KIBS) and the focus is on sales as a relational process. Mortensen's findings also support this notion, as in the empirical context of advertising agencies, the sales context was described with a relational focus and sales of services. Hence, this dimension is not further discussed.

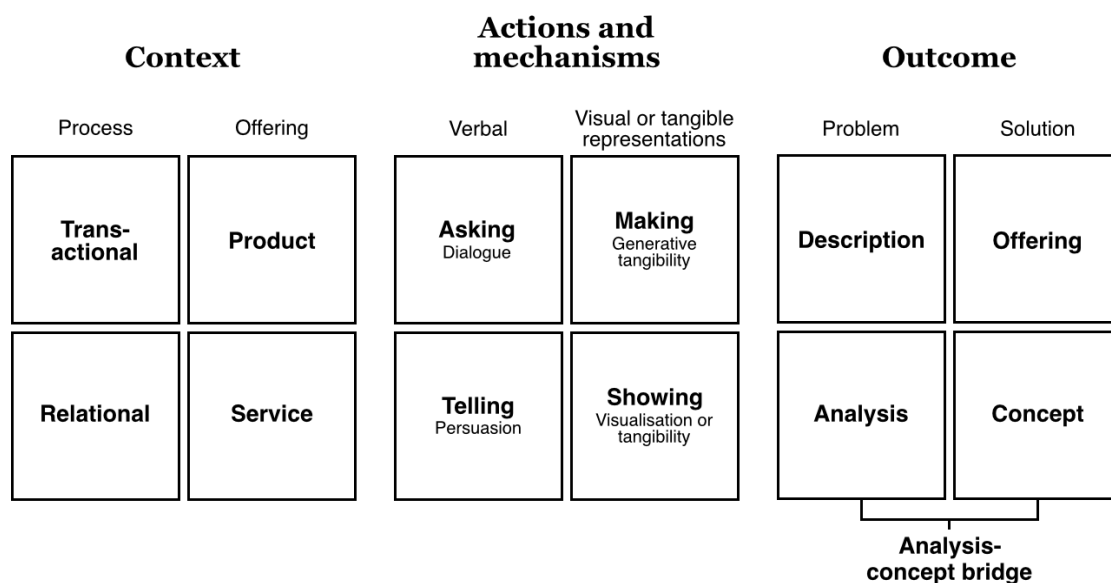


Figure 2: Mortensen's (2015) conceptual framework on sales context, actions and mechanisms, and outcomes

Secondly, Mortensen (2015) considered which aspects of the problems and solutions the sellers and clients intended to align on. Combining the findings from existing literature and the empirical context of advertising agencies, five different aspects were found: *description* of the problem, *analysis* of the problem, *concept* for a new solution, solution as an actual *offering*, and an iterative framing of both the problem and the solution, i.e. *an analysis-concept bridge*. *Description* refers to aligning on the framing of the problem as the client has defined it and therefore the focus is on getting the client to describe the problem without further analysis by the seller. *Analysis* on the contrary

involves the seller into a joint framing of the customer problem where different visual and tangible representation are often used to support the actors to see the customer problem in novel ways. Alignment on *an offering* refers to the seller persuading the client to think that the seller's existing offering, that can be delivered to the client right away, can solve the client problem. Aligning on *a concept* for something new means that the seller and the client agree that the solution needs to be further developed and customised to the client's needs. Hence, they align on the framing of what this new concept could be. Finally, aligning on *an analysis-concept bridge* refers to an iterative and simultaneous framing of both the problem and the solution through a joint analysis and creation of a concept that is further developed by the seller. Outgoing from these definitions, it is rather evident that certain aspects of alignment are expected to be more prevailing in the context of design services where the solutions are complex and require customisation. Mortensen's (2015) findings cast light on these expectations and are discussed in Section 2.2.3 where the existing research on selling design is reviewed and summarised.

The actions and mechanisms found by Mortensen (2015) are considered as sales behaviours in the scope of this study. These sales behaviours used in the sales interactions were categorised into the actions of *asking*, *telling*, *showing*, and *making* with their matching mechanisms of *persuasion*, *dialogue*, *visualisation* and *generative tangibility*. *Asking* takes the form of having a dialogue with the client and can be employed to reach alignment on all of the identified aspects of both the problem and the solution. *Telling* refers to the seller informing the client about different aspects of the problem or solution and aims to reach alignment through persuading the customer to agree on the seller's framing. Persuasion can naturally take different forms ranging from aggressive "hard-selling" tactics to more consultative sales styles. *Telling* is employed to align on all other aspects of the problem and solution expect for the analysis-concept bridge and is more frequently associated with aligning on an existing offering of the seller. *Showing* utilises visualisation or tangible objects to illustrate or demonstrate a less abstract representation of a problem or a solution. These visual or tangible representations are pre-made, often customised, and most frequently take the form of a PowerPoint presentation. *Showing* can be utilised to align on the analysis of the problem, the seller offering, or the concept for something new. Finally, *making* utilises the mechanism of generative tangibility, i.e. applies different representation formats that can be both touched and seen as well as continuously altered during the interaction. Hence, *making* emphasises collaboration and iterative change throughout

the interaction, and can take the form of for example a workshop. Outgoing from the co-design field, making can be applied to align on the analysis of the problem, the concept for something new, or the analysis-concept bridge. However, in the empirical context, making was applied only in terms of the analysis-concept bridge. In order to simplify these findings, this study uses only the terms telling, asking, showing, and making and considers them to include the linked mechanisms. Overall, these activities and mechanisms found by Mortensen (2015) are referred to as sales behaviours in the scope of this study.

Finally, Mortensen (2015) also identified the representation formats that were used during the sales interactions: communication media, generative design tools, samples, and design games. Design games were found only in the field of co-design and not considered applicable for sales in the context of advertising agencies or sales research, and are thus not included in the scope of this study. Samples were mostly used in transactional sales situations and therefore their application in the research setting of this study is limited. The two most reoccurring formats used in sales interactions were communicative media in form of presentations, often in PowerPoint format, and generative design tools used during workshops. PowerPoints were mainly used to create common reference points to discuss problems and solutions, make them easier to grasp, to attain trust in the seller's capability of solving the problems as well as the desirability of the solution. Generative design tools are tangible items that are used to generate new ideas and can take the form of for example posters with frameworks to fill in, canvases, or post-its and marker pens combined with different exercises. However, the use of generative design tools was limited to already existing

Table 6: Key roles of representation formats used in sales adapted from Mortensen (2015)

Communication media	Generative design tools
<p>Personalisation Visually illustrating how the customised solution links to the customer problem enabling a dialogue between the seller and the client</p> <p>Step-by-step narrative Structuring argumentation into a compelling narrative that makes the solution easier to grasp and more persuasive, linking the problem and the solution together</p> <p>Trust transference Using trustworthy external sources and documentation as "proof sources" to gain trust</p> <p>Convincing visually Visual and persuasive presentation of solutions, signalling industry-specific professionalism (graphic design)</p> <p>Portability Allowing to support alignment also internally in the client organisation, giving arguments to the customer to sell the solution internally</p>	<p>Boundary object Representing a common point of reference that can be manipulated by different parties and adapted to their different needs and backgrounds (Star, 1989) (e.g. post-its)</p> <p>Reflection in practice Enabling the emergence of new ideas through a reflective conversation with the materials as the actors are making and changing the representations (Schön, 1983) (e.g. post-its placed on posters)</p> <p>Iterative discussion Enabling iterative dialogue by continuously documenting the dialogue taking place (e.g. gradually filling in posters)</p> <p>Internal alignment Engaging several stakeholders from the client organisation enabling alignment both between the seller and the client and within the client organisation (e.g. multidisciplinary workshops)</p>

clients who already trust the seller. Hence, the use of such tools was limited in the actual sales interactions. Similar findings have been put forward also by Illi, Karyda and Lucero (2018) who show that sellers and buyers lean on conversational negotiations and visual artefacts, such as generative design tools, are utilised rather for supporting the seller's talk. The key roles of these representations formats are summarised in Table 6.

To conclude, Mortensen (2015) offers a multifaceted exploration of sales interactions as a problem-solving process aimed at aligning on different aspects of both problems and solutions. However, Mortensen's (2015) conceptual framework is rather idiosyncratic, i.e. it is closely tied to his specific research setting and empirical evidence. In order to obtain a more parsimonious theoretical framework, this study only adopts the sales behaviours and representations formats found in Mortensen's study. Hence, in the scope of this study, sales practices are defined to cover the sales behaviours categorised as telling, asking, showing, and making, and representations formats of communicative media and generative design tools.

Even though the concept of alignment emphasises the role of the client and the client's framings of the problems, neither Corsaro and Snehota (2011) nor Mortensen (2015) consider how clients frame problems and what factors affect these framing processes. In other words, research has remained surprisingly silent about how clients define problems and evaluate seller's solutions, and how this in turn affects the effectiveness of sales practices undertaken by the sellers. Nevertheless, existing research has shown that sales person behaviour and its effectiveness varies across different sales situations (Weitz, 1981; Reid, Bolman Pullins and Plank, 1999). Consequently, there is reason to believe that the way in which clients frame problems and evaluate solutions, plays a crucial role for how sellers can shape their sales practises across different client situations to reach alignment. Hence, this study aims to track how sellers can apply different sales practices depending on the criteria clients use for framing problems and evaluating solutions. Before moving on to examining organisational buying behaviour in order to uncover what client focus on in evaluating design purchases and what aspects affect these evaluations, the existing research on selling design is shortly reviewed.

2.2.3. Existing research on selling design

The second research question of this study poses the question of how problems and solutions are communicated in the sales interaction of design services. Systematic studies into relationships between design agencies and their clients, especially in terms of the sales interaction, have remained scarce and only four studies were found that partially consider sales interaction between external designers and their clients. In the following, these findings will be shortly reviewed in terms of the sales interaction in order to outline what is known of the sales interaction in the light of existing research. The focus is on outlining the processes, means of communication, and the sales practices currently applied.

Eneberg and Svengren Holm (2015) studied the challenges that industrial design consultancies face in communicating the value of their design offerings to clients as the scope of design is becoming more strategic and intangible. According to these authors, designers still struggle in justifying the value of the intangible elements of their offerings. Outgoing from a study including both industrial design consultancies and their client firms, the authors suggest employing a service-dominant logic for better communicating the value of design to inexperienced clients that do not understand the full scope of design application and its outcomes. Hence, design firms should focus on unravelling the value of the intangible elements, i.e. the competences and knowledge of the designers, rather than the tangible outcomes of the design service. In practice, this means making the intangible elements easier to grasp through productising or using visualisation, prototypes, or sketching. Selling and purchasing on an operational level is only touched upon. In terms of sales processes and behaviours, maintaining relationships with existing clients, networking, and presenting previous cases are considered important but not further discussed. Briefing is mentioned as a powerful tool for learning, and different visualisations, such as presentations and prototypes, are discussed as a means of enhancing communication between different disciplines and clarification of complex problems and intangible concepts. Hence, findings related to how design should be sold remained on a rather theoretical level with the emphasis on arguing the suitability of applying the service-dominant logic in the context of selling design services. Even though the role of the client as a co-creator of value was emphasised, there was little attention paid to understanding the customer's processes affecting purchasing decisions.

In a survey-based study of design consultancies in Italy, Ravasi et al. (2008) examined collaborations between design consultancies and their clients. Sales activities were discussed in terms of how new clients are typically acquired, including previous work, pre-existing relationships, active search for projects through submitting books or specific proposals to potential clients, or participating to tenders. The sales process is primarily discussed in terms of the briefing practises, which are considered critical for conveying information about the expectations of the client, the objectives of the project, and current constraints. Briefing is seen as an antecedent of project success, and there was considerable variance in the clients' ability to prepare briefs, affecting the outcomes of the projects. Often there was no prepared brief from the client or the brief was developed jointly. Designers displayed a systematic tendency to challenge the expectations and assumptions included in the briefs. This is characteristic for designers as they tend to explore and experiment new and innovative solutions and inventively focus on how things should be (Eneberg and Svengren Holm, 2015; Ravasi et al., 2008). Even though these results cast light on the conditions of successful collaborations between design agencies and their clients, the study takes only into account the perspective of the design agencies. (Ravasi et al., 2008.)

Filippetti (2010) explored the complexity of the relationship between design consultants and their clients along the dimensions of the knowledge involved in the generation of design innovation, the integration of design consultants along the product development process of the client firm and the strategies put forward by client firms to manage the relationship. In the scope of this study, the findings related to the management of the relationship are of interest. Along this dimension, Filippetti (2010) found that external designers need to have a profound understanding and knowledge of several firm-specific factors, ranging from production processes to marketing, in order to develop successful design solutions. This requires that the designers are closely integrated to the client firms, which in turn calls for building trust between external designers and the client firm. Filippetti (2010) thus argues for close and long-term relationships. The formation of these relationships, i.e. sales interactions, are not explicitly discussed.

Mortensen (2015) studied sales in the empirical context of Danish advertising agencies. The empirical findings reveal the sales behaviours and representation formats applied to align on problems and solutions during the sales interactions, as well as the processes that frame these interactions. These findings can be expected to have similarities to the sales processes and practices within the broader field of design

and are therefore introduced in short in the following. First, Mortensen (2015) showed the existence of four generic models of sales processes. Similarly to Mortensen (2015), this study examines sales interactions through the lens of problem-solving, and thus the stages dealing with the framing of problems and solutions are of central interest (see Figure 3).

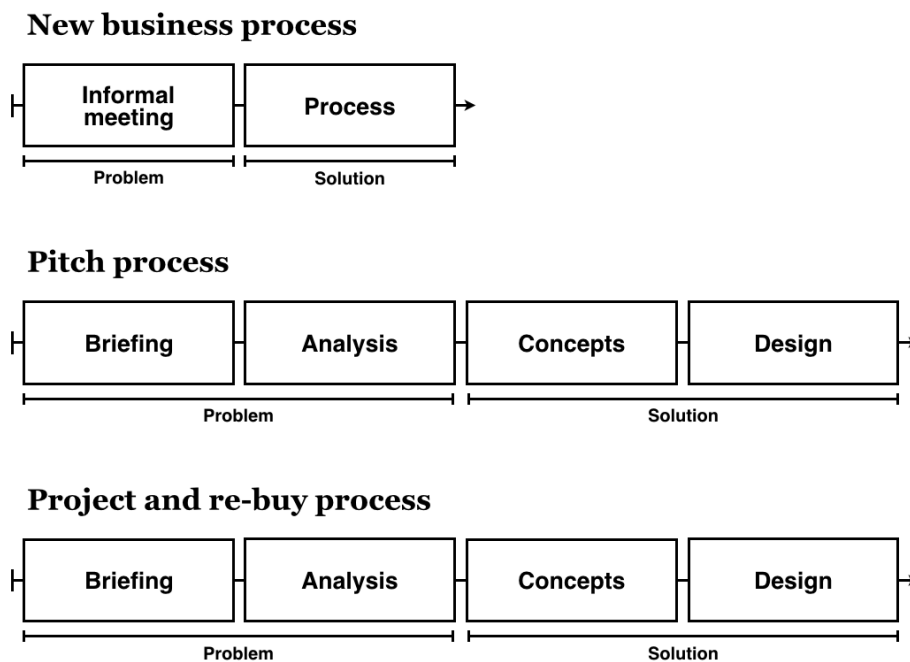


Figure 3: Selling processes in advertising industry (Mortensen, 2015)

In a new business process, agencies meet for the first time with the client in an informal meeting where the general services, processes, and competencies of the agency are introduced and discussed. Hence, the agency is not presenting specific solution concepts to the customer and the process starts only after this first introductory meeting. In pitch processes, there are several agencies competing to win the new client. Agencies can only interact with the client at the outset of the project and outgoing from the specific parameters set for the pitch process. As the agencies are able to get feedback and know if they have won the project only at the end, they often tend to design an almost finished version of their suggested solution. Ravasi et al. (2008) refer to this same process with the term tendering but do not explicate its contents. In project and re-buy processes, either an existing or new client hires an agency to create a solution for them. As the agency knows already at the outset of the project that they have been given the assignment (unlike in a pitch process), the process is considerably more interactive. (Mortensen, 2015.)

Secondly, Mortensen (2015) identified the sales behaviours used in the sales interactions and the aspects of solutions and problems they were used to align on. An interesting finding here is that none of the studied agencies aligned on the client description of the problem. In other words, agencies tended to analyse the problem framings set by their clients demonstrating the same tendency for challenging client briefs as discovered both by Ravasi et al. (2008) and Eneberg and Svengren Holm (2015). Telling, asking, and showing behaviours were used for aligning on the analysis of problems, on actual pre-made offerings and concepts for something new. Another interesting finding is that the behaviour of making was applied only for aligning on the analysis-concept bridge through having workshops with the clients, i.e. the client problems and new solutions to these problems were iterated on simultaneously during the same session. The underlying reason for this was considered to be the rather high investments both in terms of money and time. (Mortensen, 2015.)

Finally, Mortensen (2015) identified that the advertising agencies used communication media in the form of PowerPoint presentations. Presentations were used to display understanding of the client's situation, to make the sales presentation more persuasive or easier to understand, to reach mutual understanding of problems and possible solutions, to structure the sales interaction, and finally to enable client's sell the idea further in their own organisation. Furthermore, the studied agencies considered presentations to be the most professional and accepted means for communicating solutions to clients. Generative design tools were used in the form of posters and exercises with post-its and marker pens during workshops. They were mainly applied to enable collaborative and iterative discussion on client problems and possible solutions, thus enhancing communication and creating collective meanings. However, such collaborative workshop formats were used only for existing customers as they required a prior formation of trust. (Mortensen, 2015.)

2.2.3.1. Summarising the sales processes and practises found in design literature

Even though literature in the domain of selling design is scarce and fragmented, based on the short literature review a general process of selling design and sales practises along it could be compiled. Figure 4 summarises a simplified version of the sales process with the key activities of briefing and presenting a design solution that were identified in the literature.

Briefing is seen as a powerful tool for learning and a basis for creating mutual understanding of the expectations and goals of the design project. In other words, the brief sets the frames for the problem and space for the possible solutions. Briefs can either be delivered by the client or formed together with the design agency. In both cases, designers tend to challenge the assumptions set in the brief through an analysis of the client situation and exploration of alternative, novel solutions. Design solution proposals are presented to the clients in visual or tangible representation formats that enhance communication and interaction between different disciplines in order to create mutual understanding of the problem at hand as well as its possible solutions. The sales behaviours of asking, telling, showing, and making can be used to form mutual understanding on the framing of the problem, the framing of the solution, or the analysis-concept bridge, i.e. an iterative and simultaneous exploration of both the problem and the solution. However, in the light of the existing research, it remains unclear how sellers shape their sales practices across different clients.

Sales process and practices

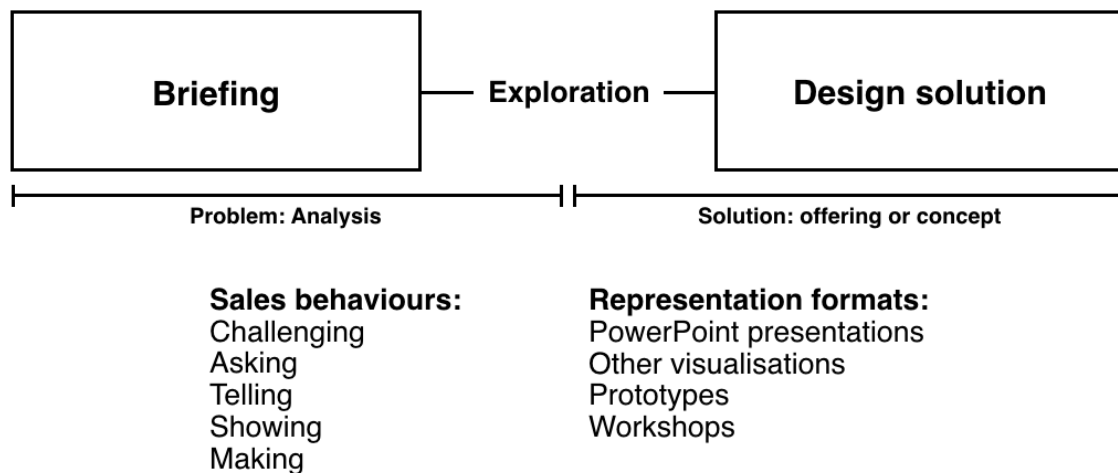


Figure 4: Sales process and practices in the field of design

2.3. Purchasing design services

The existing literature on purchasing design is limited, in fact no systematic studies on purchasing design services specifically from the buyer's perspective were found. Hence, the theoretical foundation for understanding the client in the sales interaction is based on organisational buying behaviour literature, taking into account the design-specific factors affecting client evaluations of design purchases introduced in Section 2.1. Further, findings from the domain of KIBS are integrated to the discussion as they cast some light on the organisational buying behaviour in the context of business services. This section thus gives the theoretical foundation to better understand and assess how clients evaluate design purchases.

2.3.1. Evolution of purchasing

Traditionally, purchasing has been considered as a rather operational task of handling orders (Ryals and Rogers, 2006). However, purchasing has taken on a more strategic role and moved towards relationship management and supply chain management, due to the decreasing significance of manufacturing and the increasing trend of outsourcing moving traditional sources of competitive advantage outside the company (Kraljic, 1983; Sheth and Sharma, 1997; Ryals and Rogers, 2006). In other words, purchasing has taken on a more strategic role in organisations, an evolution that needs to be noted by the selling organisations as it also shifts the focus and objectives of purchasing and thus affects the relationships buyers form with their suppliers (Ryals and Rogers, 2006; Paesbrugghe et al., 2017). Consequently, in order to excel at sales, it is increasingly important to understand the purchasing approach and buying behaviour of one's client, i.e. what kind of role purchasing has in the organisation, how and by whom the purchase decisions are made, and what kind of factors affect these decision-making processes (Ryals and Rogers, 2006; Reid et al., 1999; Paesbrugghe et al., 2017).

2.3.2. Organisational buying behaviour

According to Weitz (1981), the sales situation may affect which behaviours the salesperson uses. The sales situation in turn has to do with the environment the sales person operates in, including the characteristics of the buyer-seller relationship and characteristics of the buying task. These can be better understood by studying the buying behaviour. Generally, organisational buying behaviour can be divided into three dimensions: structure, process, and content. Structure identifies the actors and their

specific roles in the decision-making, i.e. the composition of the decision-making unit (DMU). Process covers the activities of gathering information, analysis, and evaluation that each move the organisation towards a decision. Finally, the content factor defines the criteria used for decision-making. (Jobber and Lancaster, 2015.)

The organisational buying behaviour varies across different purchase situations and existing research has identified a myriad of different factors explaining this variation and thus developed different frameworks for assessing the purchase situation. One of the most applied frameworks for analysing the purchase situation affecting the buying behaviour is the BUYGRID framework by Robinson, Faris and Wind (1967) that divides purchase situation into three classes depending on the buyers' familiarity with the buying task. Later, Cardozo (1980) has expanded this framework and added the dimensions of product type, importance of the purchase to the buying organisation, and the principal type of uncertainty present in the purchase situation. Later, business-to-business marketing, along with the shift from transactional buying to a relational focus, became interested in how the relationship between the buyer and the seller affects the purchase situation and vice versa, i.e. how the purchase situation affects the relationship (see e.g. Cannon and Perreault, 1999; Sheth and Shah, 2003; Valtakoski, 2015). Most recently, Paesbrughe et al., (2017) examined the effects of the evolution of the purchasing function, i.e. how a company treats purchasing and how purchasing is positioned in the organisation, on the purchase criteria applied.

As outlined above, there is a long tradition of academic research in the area of organisational buying. However, most of these studies and frameworks are primarily designated for understanding the purchasing of industrial goods, and less focus is placed on studying the factors that affect the exchange of business services (van der Valk and Rozemeijer, 2009). This study focuses on design as a knowledge intensive business service (KIBS) and thus a special focus placed on how the type of purchase affects the buying behaviour. Further, particular interest is placed on the complexity and strategic level of design application and how these affect the criteria clients focus on in framing problems and evaluating solutions. In these framings and evaluations, the client's design literacy is seen to play a role as different levels of complexity are expected to require different levels of expertise. Hence, it is relevant to determine the factors that affect organisational buying of service offerings. The aim of this section is to identify these factors along the dimensions of the purchase process,

decision-making unit, and purchase criteria that appear relevant outgoing from the special characteristics of design as a knowledge intensive business service.

2.3.2.1. *Purchasing process*

Organisational buyers often follow a process of seven consecutive steps. The purchase process is outlined in Figure 5. The purchase process starts with problem or need recognition. These needs or problems might arise internally or by an external initiator, e.g. a sales representative, providing cues and highlighting possible pain points in the customer business. Next, the characteristics for the needed item are specified, i.e. the buyer makes a detailed description of what is needed to solve the problem. In the next phase, a search and qualification for the potential sources begins. Then, the different proposals are acquired and analysed, and finally selected based on an evaluation by following the criteria set for decision-making. Finally, the supplier or the suppliers are selected and continuously tracked and evaluated throughout the ongoing relationship. (Jobber and Lancaster, 2015.)

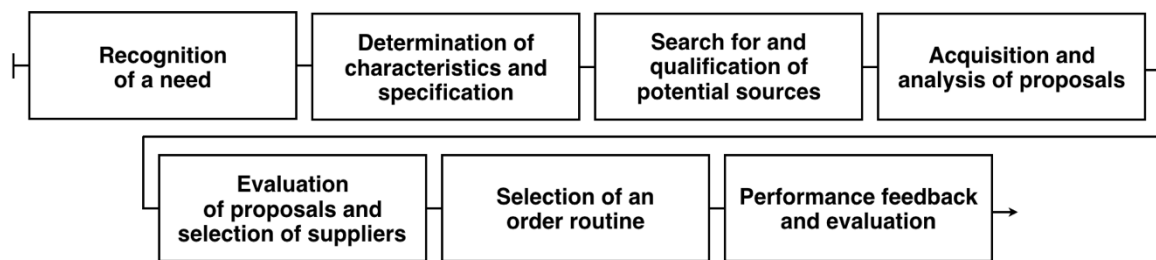


Figure 5: The organisational decision-making process, adapted from Jobber and Lancaster (2015)

However, the exact nature of this process depends on the buying situation (Jobber and Lancaster, 2015). Organisational buyers consider the purchase of business services to be essentially different from the purchase of goods (Jackson, Neidell, Lunsford, 1995; Axelsson and Wynstra, 2002; van der Valk and Rozemeijer, 2009). Even though research on buying business services, especially knowledge intensive business services such as design, has remained scarce, current research has identified certain special characteristics that explain the differences between the purchase of goods and services as well as shown their consequences for the purchase process (Axelsson and Wynstra, 2002; van der Valk and Rozemeijer, 2009).

The differences between buying services and goods originate from the unique characteristics of services, i.e. intangibility, heterogeneity, inseparability, and

perishability, allotting different levels of importance for certain stages in the purchasing process (idib.). The intangible nature of services makes them hard to evaluate in advance of the purchase, complicating the determination of characteristics and specification for the content of the desired service. As services are mostly consumed and produced simultaneously in an interaction between the buyer and the seller, the roles and responsibilities of each actor can be difficult to determine. The interactive nature of producing services goes beyond the buying and sales interaction and therefore it is important to already in the initial stages of the purchasing process to consider the mutual fit of the organisational cultures, attitudes, processes, and systems of the buyer and the seller. Hence, the resulting main challenges related to purchasing services are concerned with the specification of the service, definition of the specific content of the service level agreement and the evaluation of the performance of the service. (van der Valk and Rozemeijer, 2009.)

As a consequence of these unique challenges, purchasing business services is considered to require a more interactive and collaborative approach from the buyer and the seller in the initial stages of the purchasing process (Jackson et al., 1995; van der Valk and Rozemeijer, 2009). This is also supported by the value creation literature in the context of KIBS where value creation takes place in an interactive and collaborative problem-solving process (Aarikka-Stenroos and Jaakkola, 2012). Hence, van der Valk and Rozemeijer (2009) suggest including two additional stages in the purchasing process of business services, i.e. *request for information* and *detailed specification*, extending the interaction between the buyer and the seller into the initial stages of the purchasing process. Whereas the original stage of *determining characteristics and specification* is used for making sure that the specifications defined for the service are complete and accurate, the stages of *request for information* and *detailed specification* are employed to request additional information from the sellers in order to develop a more detailed specification of the service. The detailed specification is thus done in collaboration with the seller. In this way, the buyer can compare the different solutions early on in the purchasing process as well as incorporate the innovative ideas of the competing suppliers into a more detailed service specification. Through these additional stages, the buying organisation forces itself to explicitly determine the objectives and expectations considering the service as well as identify the roles and responsibilities of the buyer and the supplier. Additionally, these stages are employed to coordinate how the buyer and the seller are actually going to collaborate once the purchase decision has been made. (van der Valk and Rozemeijer, 2009.)

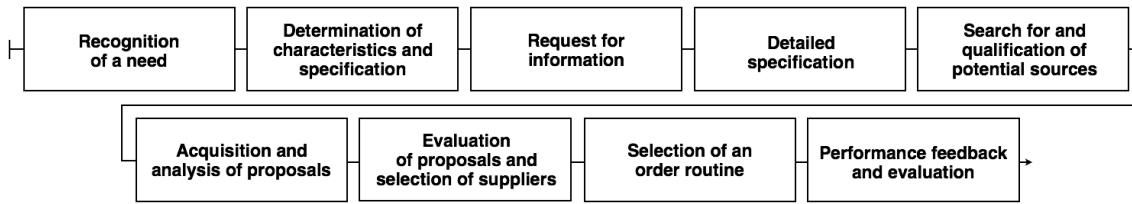


Figure 6: The extended purchasing process for business services, adapted from van der Valk and Rozemeijer (2009) and Jobber and Lancaster (2015)

Hence, van der Valk and Rozemeijer (2009) place a great deal of importance on the initial stages of the purchasing process and argue that the success of the service purchase is primarily determined during the first stages of the process. This is in line with the view of Schön (1983) who highlights the importance of framing the problem situation thus creating a starting point and basis for the problem-solving process. This framing is seen to affect the judgement of the needed resources and skills to solve the problem as well as the evaluation of the desirability of the solution (Corsaro and Snehota, 2011).

This study approaches the sales and purchasing processes in the scope of problem-solving with an emphasis on framing problems and communicating and evaluating solutions. Hence, seeing the purchase process of business services from the problem-solving point of, the relevant stages in the purchase process are the ones related to the framing of the problem and the evaluation of the solution illustrated in Figure 7 below.

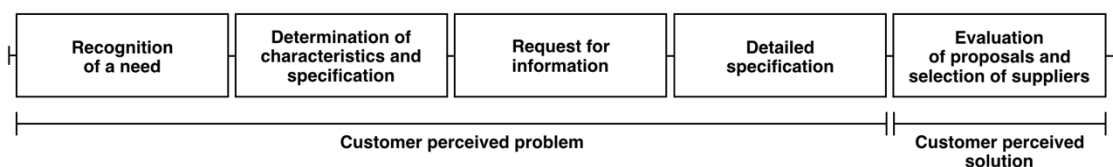


Figure 7: Purchase process of business services in the scope problem-solving

2.3.2.2. Decision-making unit

The decision-making unit, DMU, consists of actors with different roles taking part in the decision-making process. As each of these actors have their unique roles and responsibilities in the organisation, they also assess the purchases outgoing from different aspects and criteria. Hence, it is important to understand how actors with different roles affect the decision-making process and how to adapt the sales communication and practises to these. Further, it is crucial to identify who in the organisation are in the position of making decisions as the decisions might be in the

hands of a larger group of people with different agendas. (Jobber and Lancaster, 2015.)

In the scope of this study, two aspects of the DMU are especially interesting: the design literacy of the decision-makers and the position of the client's contact person in his or her own organisation. The importance of these factors for the sales interaction has been outlined in Section 2.1. Current research on value creation in the context of KIBS has shown similar results to those found in the domain of design. In the context of KIBS, clients have a fundamental role for the outcome of the service as the solutions are customised to the client's contexts and needs and thus the service providers are dependent on their clients to provide information (Bettencourt et al. 2002; Aarikka-Stenroos and Jaakkola, 2012). However, clients may lack the knowledge, skills, and understanding to articulate the needs and problems they are facing, leading to ill-defined problems (Nordin and Kowalkowski, 2010). The buyer's ability to frame problems affects the skills required from the seller in terms of diagnosis and judgement of the client problem and needs as well as the nature of the problem-solving process in terms of the required level of closeness and collaboration (Tuli et al, 2007; Nordin and Kowalkowski, 2010).

Secondly, the position of the client lead is expected to have an effect on the outcome of the sales interaction as well as reflect the importance given to the purchase in the client organisation. According to Cardozo (1980:272), the importance of the purchase directly influences the size, composition, and the behaviour of the DMU. Hence, the greater the importance, the higher the organisational levels involved and the more painstaking the buying process (ibid). In the design domain, Ravasi et al. (2008) found that designers consider the involvement of top management as well as the possibility to interact with all relevant functions important to gain successful outcomes. Further, according to Eneberg and Svengren Holm (2015) involvement of the top management is seen as a prerequisite for working strategically with design. On the contrary, the inability of the client lead to successfully champion the project internally and issues of power and politics inherent in the client organisation were seen to hamper the success of design projects (Ravasi et al., 2008). Similar findings have been suggested in the field of KIBS by Bettencourt et al. 2002, who show that clients advocating projects internally in the firm can accomplish active involvement of multiple stakeholders as well as create sense of ownership, thus leading to more positive outcomes.

2.3.2.3. Purchase criteria

Purchase criteria refers to the choice criteria applied in order to evaluate purchases and thus make purchase decisions (Jobber and Lancaster, 2015). In the scope of this study, the purchasing criteria applied is considered to affect both the client's relationship orientation towards the seller and their evaluation of the design solution proposed by the seller. In general, criteria used in the context of organisational buying can be divided into functional (economic) and psychological (emotive) factors summarised in Table 7.

Table 7: Purchase criteria of industrial goods, adapted from Jobber and Lancaster (2015)

Purchase criteria of industrial goods	
Economic Price Total cost of ownership (TOC) Quality Delivery Perceived risk Continuity of supply Reliability Upgradability Technical assistance Commercial assistance Safety	Emotional Prestige Personal risk Office politics Quiet life Personal liking Convenience Reciprocity Confidence

However, the purchasing criteria applied varies notably across different purchase types, purchase situations, organisational contexts, and supplier-client relationships (Axelsson and Wynstra, 2002; Viio and Grönroos, 2014; Paesbrugghe et al, 2017). Most commonly, different purchasing approaches are portrayed with a continuum ranging from a transactional orientation to relational purchasing (Axelsson and Wynstra, 2002). Whereas transactional purchasing is more considered with price, short-term costs, and efficiency, relational approaches focus more on closer relationships with the suppliers thus aiming to create added value through effective collaboration and low total costs of supply in the long-term (ibid.). However, such division between transactional and relational purchasing may represent a somewhat oversimplified view (Viio and Grönroos, 2014). Viio and Grönroos (2014) argue that

companies can choose to employ different purchasing approaches depending on the strategic importance of the purchase by segmenting different purchases outgoing from their strategic importance and ease of supplier substitution with a purchasing portfolio approach (Viio and Grönroos, 2014). Hence, the authors argue that buyers adopt different relationship orientations and use different criteria for assessing the approaches of sellers depending on the strategic positioning of the purchase in the purchasing portfolio.

Cannon and Perreault (1999) studied the effect of the purchase situation in terms of the importance and complexity of supply on the type of the buyer-seller relationship. They found that buyers form the closest partnerships with sellers when both the importance of the supply in terms of strategic and financial significance and the complexity of the supply are high. However, Cannon and Perreault (1999) do not specify the choice criteria applied across these different purchase situations. In his purchasing portfolio approach, Kraljic (1989) considers the supply strategy as a function of the strategic importance of the purchased item and the complexity of the supply market. Depending on these, purchasers can assess the supplier situation and identify the right type of supply strategy and develop different types of relationships based on the resources and capabilities each supplier can provide (idib.)

More recently, Paesbrugghe et al. (2017) focused on examining the strategic positioning of the purchasing function in an organisation and determining what aspects buyers focus on and how they relate to suppliers in different stages of the purchasing evolution. In doing so, the authors adopted Reck and Long's (1988) four purchasing development stages: *passive*, *independent*, *supportive*, and *integrative*. On each of these stages, purchasing has its unique focus points, goals and needs, thus affecting the criteria used for assessing different supplier solutions. In the passive stage, the focus is on price, efficient information exchange, and the stability of supply. An independent purchasing function emphasises the total cost of ownership (TOC), opportunities for savings and lowering supply risks as well as operational efficiency with the suppliers. Finally, the supportive and integrative stages are more concerned with maintaining competitive advantage by building strategic relationships with the seller. Hence, the focus is on the seller's ability to understand the client's complex problems by uncovering the often hidden and unstated needs of the client and crafting customised solutions to these needs. Here, the relationships formed with the seller are closer and more collaborative. The conclusion here is that as buyers have reached

different levels of the purchasing evolution, selling organisations need to be able to identify the maturity of the client's purchasing function and adapt the sales communication accordingly. (Paesbrughe et al., 2017.)

However, these frameworks are based on research dealing with the purchase of industrial goods and thus are primarily suited for assessing such purchase situations (Dawes, Dowling and Patterson, 1992). As the purchase process of business services as well as the relationships clients form with suppliers of complex and knowledge intensive offerings such as design differ from the purchase of industrial goods, also the criteria used for assessing design purchases is expected to be different. Even though existing studies in this area has remained scarce, the existing studies in the fields of design and KIBS are shortly reviewed in the following and the choice criteria found in these studies are summarised in Table 8.

Design-specific criteria

As research on purchasing design services has yet remained scarce, there are no academically validated criteria for evaluating design purchases. However, a survey conducted on design application in Finnish companies by Järvinen and Holopainen (2006) casts some light on the choice criteria currently applied by Finnish organisational purchasers of design. The most important choice criteria for the selection of the agency were personal relationships (44% of respondents), reference cases (41%), the agency's ability to provide a holistic solution (28%), the agency's knowledge and understanding of the client's business (24%) and the high quality of the work (19%). Pricing was mentioned by 17% of the respondents and costs were not even mentioned. Other factors included were operational fit to processes and tools (13%), the image of the agency (7%) and internationality of the agency (2%). Hence, these findings point to a more relational or strategic approach in purchasing design services as personal relationships and ability to provide holistic solutions as well as expert knowledge of the client business are considered important.

Additionally, Eneberg and Svengren Holm (2015) briefly touch upon the purchase criteria applied by clients of industrial design consultancies as they consider that word of mouth and presentation of previous cases are of outmost importance when selling intangible services. Foote (2003) considers that designers and their clients have very different ways of assessing the success of a design project. Whereas designers focus

on the creativity and innovativeness of design, clients are mostly concerned with the potential commercial outcomes of the project. Hence, design solutions are considered in terms how well they meet the business targets and brand attributes that are set for the design project. Further, Foote (2003) considers that the subjective nature of design services makes their assessment challenging, thus increasing the perceived risk. Finally, personal liking is considered to play a role in choosing which designers to work with (ibid.).

Table 8: Purchase criteria of design and knowledge intensive business services (KIBS)

Purchase criteria	
Design Personal relationships and liking Reference cases Ability to provide holistic solutions Knowledge and understanding of business Quality of work Price Operational fit Image of the agency Internationality of the agency Perceived risk Ability to meet business objectives	KIBS Diagnosing skills Judgement skills Asking skills Specialised knowledge and skills Quality of interaction Quality of service process Communication skills Responsiveness and flexibility Reliability Mutual fit of cultures, attitudes, behaviours Mutual fit of processes and systems

KIBS-specific criteria

In the context of KIBS, no systematic studies on the choice criteria were found but authors have pointed out the importance of the service providers to be able to diagnose undefined client needs and objectively judge ill-structured client needs and problems (Tuli et al., 2007; Nordin and Kowalkowski, 2010). This also necessitates the ability to ask the right questions (Tuli et al., 2007). Paesbrugghe et al. (2017) also support this notion as they deem that buyers often seek strategic relationships with sellers when they need to acquire customised solutions to complex problems that require the sellers to uncover the buyers' hidden and unstated needs. According to Lapierre (2000), clients place heavy emphasis on the quality of interaction and the service process, thus expecting responsiveness, flexibility, reliability, and communication skills from the service provider. Further, van der Valk and Rozemeijer (2009) emphasise the consideration of the mutual fit in terms of cultures, attitudes, behaviours, processes,

and systems between the client and the supplier. Overall, due to the complex nature of the services provided and high levels of customisation, service providers are expected to possess specialised knowledge and skills as well as a thorough understanding of the client's business, needs, and requirements (Tuli et al. 2007; van der Valk and Rozemeijer, 2009; Nordin and Kowalkowski, 2010; Aarikka-Stenroos and Jaakkola, 2012).

Even though these findings cast some light on the purchase criteria of design services and KIBS, the findings are incomplete to explain the purchase behaviour of clients purchasing design services. Hence, this study first aims to identify the criteria that is used for examining design purchases in terms of framing problems and evaluating solutions and secondly explores how these criteria varies across design services featuring different levels of complexity and strategic significance. Hence, in the scope of this study, a special interest is placed on the complexity and importance of the design service. The importance of the design service purchased is assessed outgoing from the organisational level of design application, i.e. design maturity, as it reflects the strategic importance given to design in the organisation as well as the objectives and expected outcomes associated with design use. Complexity on the other hand, is determined by the intangibility and knowledge intensity of the service purchased.

2.3.3. Summarising organisational buying behaviour in the context of design services

This section has discussed the organisational buying behaviour and shown the unique consequences that the context of design as a knowledge intensive business service casts on the purchase process, decision-making unit, and purchase criteria for the purchase of design services. In relation to the research questions of this study, this section has created the theoretical foundation for understanding how companies evaluate different design purchases (RQ1).

First, existing research has shown that organisational buyers treat purchases of business services essentially differently in comparison to purchases of industrial goods. These differences are seen to originate from the unique characteristics of services, making it more challenging to evaluate the purchase and determining the specification for the content of the desired service. As a consequence, the purchase process is more interactive and collaborative in comparison to purchase of goods and more emphasis is placed on the initial stages of the purchasing process. During these initial stages, the

framing of the client problem plays a key role for the success of the service purchase and thus two additional stages of *request for information* and *detailed specification* are added to the purchase process. These stages are characterised by an interactive consideration of the mutual fit between the client and the seller, which is important to coordinate how the buyer and the seller are going to collaborate.

Secondly, the decision-making unit (DMU) is interesting for design purchases from two aspects: the design literacy of the decision-makers and the position of the client lead in his or her own organisation. Based on the review of design literature, these dimensions were found to affect collaborations between design agencies and their clients. This chapter showed that supporting evidence has been found in the domain of KIBS. Clients have an active role, and the service providers are dependent on their clients to provide information of their specific business contexts and needs. However, clients' ability to articulate their needs and problems may vary across situations and thus their ability to frame problems affects the skills required from the seller and the nature of the problem-solving process. The position of the client lead in his or her own organisation affects the level of decision-making. Involvement of management and internal advocating of design projects has been demonstrated to affect the outcome of design collaborations.

Finally, research on purchase criteria applied for design purchases has remained scarce and there is a need to expand these findings in order to understand how companies evaluate different design purchases. However, these criteria are expected to differ from criteria applied for purchasing industrial goods as both the purchase process of business services as well as the relationships clients form with suppliers in the context of KIBS are notably different from the context of industrial goods. Based on the review of design literature, the criteria for assessing design purchases is seen to vary outgoing from the complexity and importance of the purchase. The importance of the design service purchased is assessed based on the organisational level of design application, i.e. design maturity, whereas the complexity of the purchase is determined by the intangibility and knowledge intensity of the service purchased.

The determinants of organisational buying behaviour are summarised in Figure 8, where the criteria used for design purchases and the relationship between the buyer and the seller is seen to vary depending on the organisational level of the purchase as defined by the design maturity of the organisation and the complexity of the purchase

in relation to the client's design literacy. From the problem-solving approach adopted in this study, the determinants of organisational buying behaviour outlined in the Figure 8 are seen as the components defining the frames that are used for outlining the problems and evaluating the solutions.

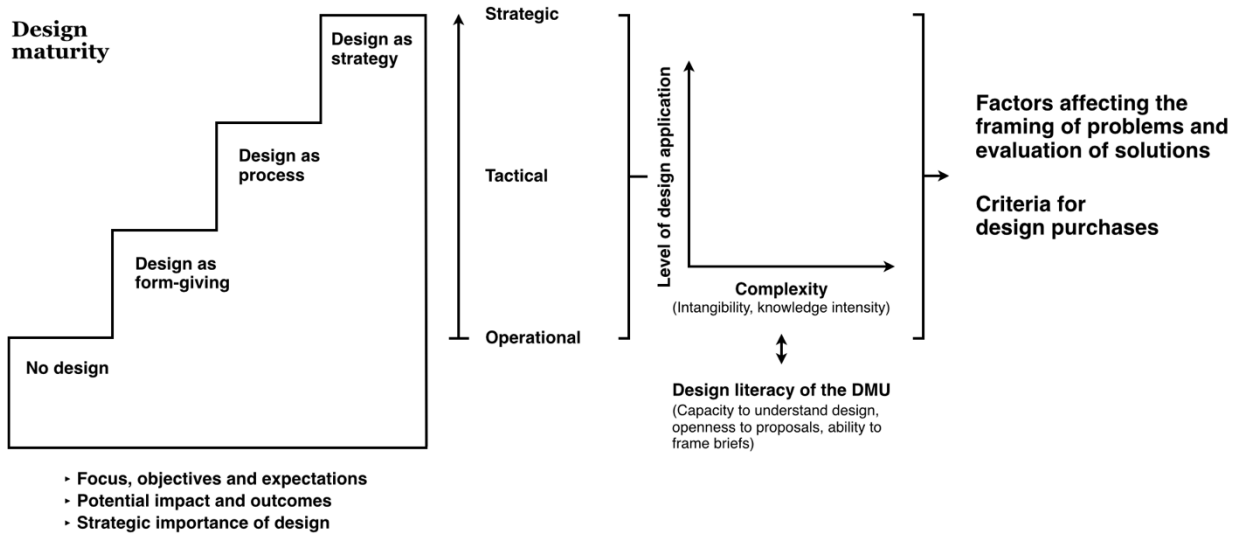


Figure 8: Determinants of organisational buying behaviour of design services

2.4. Summarising the theoretical framework

Despite the contemporary emphasis on collaboration and mutual value creation, the fields of purchasing and sales have remained separated, and value creation is typically studied either from the buyer's or the seller's perspective. This might be due to the sellers and buyers acting in a commercial environment where both actors might be reluctant to disclose data on their processes and practices. Further, the academic fields of both sales and design are still quite young and going through an ongoing change in terms of what actually constitutes value. Especially within the field of design, the existing research into collaborations between external designers and their clients is scant and scattered, and the existing studies only partly cover the topics of sales and purchasing. Similarly, academia has only recently started to look into the role of sales in the context of relational marketing. Hence, combining the fields of sales and purchasing represents a multifaceted phenomenon with equivocal terminology, and constructing a holistic framework for studying design purchases and sales has been quite of a patchwork. The theoretical framework in this study is one of the firsts of its kind and aims to offer a shared platform for mutual discourse and research in the fields of design sales and purchasing. This framework along with a summary of its theoretical background is introduced in the following.

The scope of design has expanded into new areas, making the service selection of design agencies more complex, multifaceted, and in many cases increasingly intangible. Existing research has shown that designers struggle to demonstrate the value of their more intangible and strategic offerings, and hence it can be expected that the complexity of the design service in an interplay with the client's design literacy plays a role in the sales interactions. Further, existing literature on design management has shown that design can take on various roles in an organisation based on the design maturity of the organisation and the design literacy of the managers. Hence, these factors reflect the level of design application in the organisation and affects what kind of problems the client considers can be solved with design and what kind of outcomes and added value are expected. In order to better understand the manifold, client-specific, and increasingly intangible nature of design services, this study examines design services in the broader concept of knowledge intensive business services (KIBS). This enables to unravel the unique consequences that such services pose for the interaction between the client and the seller.

Hence, design agencies can be categorised as providers of KIBS that feature the key characteristics of knowledge-intensity, function of consulting or problem-solving, and strongly interactive or client-related character (Muller and Zenker, 2001:1503–1504). These characteristics also pose their special consequences on the sales situations, and successful exchanges of the complex KIBS offerings require highly interactive and collaborative problem-solving processes between the client and the service provider. Hence, sales of design services is seen as a process of problem-solving where the specific characteristics of KIBS in terms of complexity, high levels customisation, and the intangibility of the service provided is seen to play a role.

Based on literature in the domains of design and KIBS, the most prevalent factors affecting client evaluations of design purchases can be divided into two categories related either to the service offering itself and the position of design in the client organisation. In the scope of this study, the complexity of a design offering is determined by its intangibility and knowledge-insensitivity, whereas the position in an organisation is related to the strategic level of design application affecting the strategic importance, focus, objectives, expectations, and potential impacts and outcomes of design projects. Consequently, the different levels of service complexity and the different levels of design application in an organisation affect the criteria set for framing design problems and evaluating solutions. These framings and evaluations are in turn affected by the client's design literacy as different levels of complexity are expected to require different levels of expertise.

In the light of existing research on organisational buying behaviour, the nature of complex business services affects both the purchase process and criteria used for evaluating such purchases. Due to the special characteristics of KIBS, evaluating purchases and determining specifications for the content of the desired service is more challenging. This results in more interactive and collaborative purchasing processes and shifts the emphasis to the initial stages of the purchasing process and the ability of the purchasers to frame problems and spaces for possible solutions. With respect to the purchase criteria applied, research has remained scarce but shows a tendency towards relationship- and interaction-related factors and the seller's ability to understand the client and the client situation, as might be assumed by the more collaborative and interactive purchasing and sales processes taking place in the context of KIBS.

Simultaneously, marketing and sales literature has taken on a relational focus stressing the interdependence of the supplier and the customer and value originating in the interactions and relationships between these two actors. According to service logic, customer is always the value creator and the supplier can support the customer's creation of value-in-use either by facilitating value for the customer or by taking part in the co-creation of value-in-use through interactions (Grönroos, 2011). Seeing value from a relational and interacted perspective places an increased importance on understanding the customer both on individual and organisational levels. Hence, in order to support the value creation of their clients, design agencies need to understand their offerings in the scope of the client business and how design can be integrated to it in order to unravel value.

The relational perspective of value has naturally changed the role of sales. In the scope of this study, sales is seen as a problem-solving process with the aim of enhancing communication and creating collective meanings, thus unravelling the full potential and added value of design. This is done through creating alignment on customer-perceived problems and solutions. In order to align on the customer-perceived problems and solutions, sellers take on different sales behaviours and utilise different representation formats to increase the understanding between the different actors. In this study, these sales behaviours and representation formats are defined as sales practices. Even though the concept of alignment emphasises the role of the client in framing problems and interpreting solutions, little is known about how clients define their problems and evaluate sellers' solutions, and how this in turn affects the effectiveness of sales practices undertaken by the sellers. This study builds on the logic that the effectiveness of different sales practices varies across different clients and design purchases. Therefore, this study seeks to find how the client evaluations of design purchases affect the sales practises to be applied in order to align on problems and solutions to create mutual understanding.

Figure 9 summarises the problem-solving approach on sales adopted in this study and connects it to the currently existing research on processes, means of communication, and the sales practices applied in selling and purchasing design. The client framing of the problem is seen as the basis for the problem-solving process, setting the frames for evaluating the resources and competences required to solve a given problem as well as the desirability of the resulting solutions (Schön, 1983). These frames are determined by factors affecting organisational buying behaviour as defined through the

review of literature in the fields of design, KIBS, and purchasing of business services. This problem-framing, i.e. the customer-perceived problem, is then communicated to the design agency, often in the form of a briefing. Design agencies may accept the briefs as such but current research shows a tendency to challenge the client briefing (Ravasi et al., 2008; Eneberg and Svengren Holm, 2015; Mortensen, 2015). As an outcome, designers form their interpretation of the client problem, i.e. the supplier-perceived problem.

What follows is an iterative design process characterised by analysis, synthesis, and creativity, with the ultimate objective of transforming the aspirations of the business challenge defined in the problem framing into a final solution, i.e. supplier-conceived solution (Best, 2011). Mortensen (2015) also found a tendency to simultaneously work on the definition of the problem framing and concepts for possible solutions together with the client. Design solutions are communicated to the clients using the sales behaviours of telling, asking, showing, and making. However, it is unclear how these behaviours are used across different cases and how the client perceives these behaviours. The customer-perceived solution represents the client understanding and interpretation of the solution and its desirability and is guided by the initial framing of the problem and thus the criteria clients use for evaluating design purchases.

However, in the light of the existing research, it remains unclear:

- 1) how clients evaluate different design purchases and what affects these evaluations (RQ1).
- 2) how problems and solutions are currently communicated in the sales interactions between design agencies and their clients (RQ2).
- 3) how design agencies can shape their sales practises to reach alignment on problems and solutions across different types of clients and design purchases (RQ3).

Hence, the empirical part of this study sets out to gain novel insights along these three dimensions in order to increase our understanding of the sales interactions taking place between design agencies and their clients. The ultimate objective is to understand how design agencies can shape their sales practices across different clients by better understanding how their clients interpret and evaluate design purchases outgoing from

their individual perceptions of design and the significance of design in the organisational context.

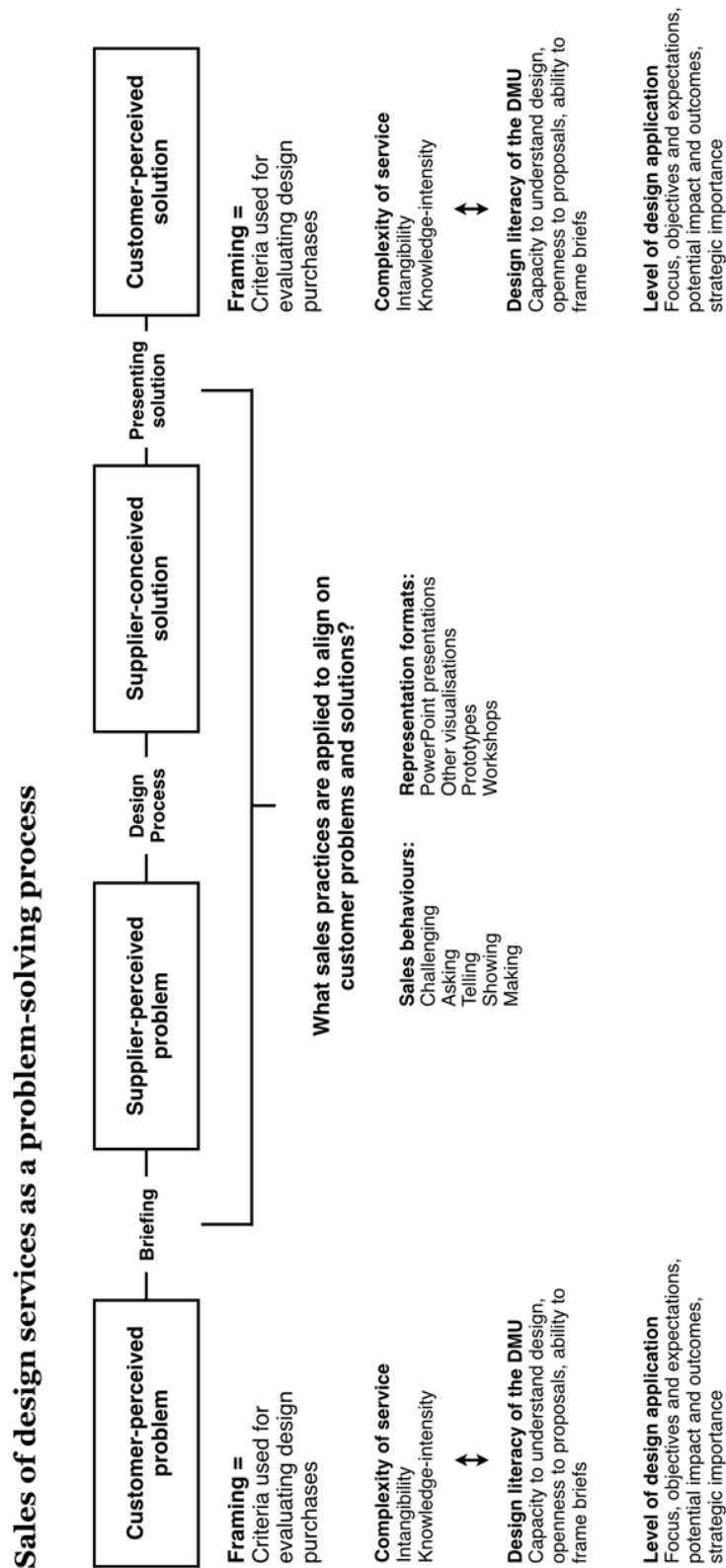


Figure 9: Sales of design services as a problem-solving process

3 RESEARCH DESIGN AND METHODOLOGY

This section introduces the methodology used for the empirical part of this study. First, the research design is outlined to render transparency to the logic and process of the study. Secondly, the chosen research approach, multiple-case study, is introduced and a justification of its suitability to answer the research questions of this study is given. Further, this section moves on to introducing the process and sources of collecting data. Thereafter, the data analysis process will be described. Finally, the overall research process is evaluated and ethical considerations along different stages of the research are discussed.

3.1. Research design

Research design is the general plan of how the study intends to go about answering the research questions and thus stands for the logical sequence connecting the empirical data to the research questions and finally to the conclusions of the study (Saunders, Lewis and Thornhill, 2012; Yin, 2014:28). The objective of this study is to augment the understanding of sales interactions between Finnish design agencies and their clients and thus develop sales practices employed by design agencies. The study takes a dyadic approach by including both the buyer and seller perspectives to the study, which has been rare both in the fields sales and design management. Especially studies from the buyer's perspective have remained scarce (e.g. Paesbrughe et al., 2017). In this study, the buyer is given a pivotal role as the emphasis in this study is on understanding how clients evaluate design services in terms of their overall business and how this affects the appropriate sales practises design agencies can utilise to better cater to the needs and objectives of different clients.

Hence, the purpose of this study is explanatory, i.e. it seeks to establish causal relationships between variables (Saunders et al., 2012:140). Here, the causal relationship being studied is between the client's evaluation of the design service being purchased and the appropriate sales practises applied by design agencies. Furthermore, this study also has explorative traits as it aims to seek new insights into the phenomena of sales interactions and assesses the phenomena in a new light, i.e. framing of problems and solutions in the sales interaction with the starting point in the client's evaluations (Saunders et al., 2009:140).

The guiding principle in choosing the appropriate methods for a study is its research question and focus (Eriksson and Kovalainen, 2008). According to Yin (2014:9), the type of research questions, the control over behavioural events, and the degree of focus on contemporary events, guide the choice of a suitable research approach. The research questions of this study are of both exploratory and explanatory type and pose the question “how”. A case study approach has a considerable ability to generate answers to these types of questions (Saunders et al., 2009:146; Yin, 2014:10). Further, case studies are preferred when the study examines contemporary events over which the researchers has little or no control (Yin, 2014:12). Sales interactions between design agencies and their clients examined in this study are contemporary and portray behaviours that cannot be controlled by the researcher. Hence, I deem a case study to be the most beneficial approach for the purposes of this study.

Case study strategies focus on understanding the dynamics within single settings and suit well for gaining rich and in-depth understanding of a phenomenon within its real-world context (Eisenhardt, 1989; Yin, 2014). Here, the single setting being studied, i.e. the unit of analysis, is the dyadic sales interaction between the design agency and its client. I have chosen to employ a multiple-case study with three cases, each case consisting of a client-agency couple, to gain rich understanding of the sales interactions and to enable cross-case comparisons. As the cases have been chosen outgoing from theoretical aspects in accordance with replication logic, the results have the potential for analytical generalisations (Yin, 2014; Eisenhardt, 1989).

Eisenhardt (1989:548) has argued for the exceptional potential of case studies to generate novel insights and theory in areas where the existing literature has remained scarce or current perspectives seem inadequate, as is the case in the field of selling and purchasing of business-to-business design services. This study aims to integrate the existing literature on business-to-business sales and purchasing into a dyadic understanding in the empirical context of design. In doing so, this study follows an abductive logic of systematic combining with the aim of developing a conceptual framework for better understanding the sales interactions between design agencies and their clients (Dubois and Gadde, 2002).

In systematic combining, the focus is on a continuous movement between already existing theory and the empirical world (Dubois and Gadde, 2002:554). In this iterative process, theoretical framework, empirical fieldwork, and case analysis evolve

simultaneously with the objective of discovering new things, variables, and relationships (Dubois and Gadde, 2002). It is important to anchor the research on preconceptions arising from existing theory as investing in theory has the opportunity to improve the explanatory power of the research (ibid.). However, it is impossible to identify all the literature in the topic as the need for theory is created throughout the process (Dubois and Gadde, 2002:559). The continuous matching of reality and theory enables a better understanding of both the theory and empirical phenomena and thus the theoretical framework should be continuously evolved throughout the process of data collection and analysis. When analysing the data, the evolving theoretical framework should be used to guide the data analysis. However, the empirical data should not be forced to fit existing theoretical categories. (Dubois and Gadde, 2002.)

I deem the abductive logic of systematic combining suitable and natural for the type of this case study. The initial interest for conducting the study arose from the empirical world guiding the scoping of theory. Hence, the approach falls in between the inductive and deductive reasoning (Flick, 2009). Further, the existing research on sales interactions in the field of design is limited, yet it offers an analytic frame to function as the starting point for my research interests. Based on existing research in the fields of business-to-business sales and purchasing as well as design management, I constructed an initial theoretical framework that was developed and refined in an iterative manner outgoing from the empirical findings. This framework has guided the selection of appropriate cases, informed the topics and themes to be covered in the data collection as well as structured the presentation and analysis of the empirical findings. However, the analysis of data was not restricted to themes identified in existing theory, rather the study allowed also themes to arise from the empirical findings (Dubois and Gadde, 2002). Even though this thesis reports the research process in a linear manner, the actual process was more iterative moving in between formation of theory and analysis of the empirical findings.

3.1.1. Case study

Case study is a research approach focusing on understanding the dynamics within single settings and suits well for gaining rich and in-depth data about a phenomenon within its real-world context (Eisenhardt, 1989; Yin, 2014:16). There are several ways of conducting case study research depending on the purpose and design of the study as well as the nature of the research questions (Eriksson and Kovalainen, 2008:122).

Often the distinctions are made between single-case and multiple-case studies and the logic of how the study intends to generalise its findings (Eriksson and Kovalainen, 2008). These aspects play a crucial role for the selection of appropriate cases and how the findings of these cases can be generalised.

I have chosen to employ a multiple-case study with three cases consisting of agency-client couples. Hence, this study explores the sales interactions from a dyadic perspective and the unit of analysis is the agency-client couple. As there are two levels of analysis within one case, i.e. that of the client's and that of the seller's, this case study design is embedded (Yin, 2014: 62). Following the embedded design, the units of data collection are the individual professionals working with sales and purchasing, taking on different roles and responsibilities during the sales interaction. To maximise the benefits of having a dyadic approach and to closely compare the perspectives of the client and the seller, the empirical data is collected in the same format and with similar inquiries both from the seller and the client.

Multiple-case studies typically focus on mapping common patterns in the chosen context in order to develop, to elaborate, or to test theory (Eriksson and Kovalainen, 2008:119). Hence, the interest lies in investigating the phenomenon, in this study the sales interactions, not the cases as such. Cases are rather seen as instruments to generate knowledge beyond the cases themselves (Eriksson and Kovalainen, 2008:124). The aim of this study is to develop theory for better understanding the sales interactions between design agencies and their clients and to enhance sales practices employed by design agencies. As the interest lies in the sales interactions, not the case companies per se, a multiple case study design is well-suited for the purposes of this study.

The identification and selection of what cases to study is critical, especially when building and developing theory (Eisenhardt, 1989:536; Dubois and Gadde, 2014). In multiple case studies aiming on theoretical generalisations, the case selection is often based on theoretical reasons and the cases are chosen following a replication logic (Eisenhardt, 1989:537; Yin, 2014:57–60; Eriksson and Kovalainen, 2008:122). Yin (2014:57–63) stresses the importance of distinguishing the replication logic from statistical sampling as the cases should not be chosen with the aim of generalising the empirical findings from the cases to a certain population. Replication should rather reflect theoretical interests and propositions and the cases should be chosen to either

predict similar results (a literal replication) or contrast results for anticipatable reasons (theoretical replication) (Yin, 2014: 57). Further, Eisenhardt (1989:537) argues that the cases can be chosen to fill theoretical categories. Whereas both Eisenhardt (1989) and Yin (2014) promote the use of multiple-case study designs benefitting from the replication of cases, Dubois and Gadde (2002) argue that such designs fail to examine complex structures as adding more breadth prevents studying the case with enough depth. Hence, they argue that a more natural choice would be to go deeper into one case than adding cases and therefore argue for the use of single case study designs when developing theory from case studies and when following systematic combining.

Even though I have chosen to follow the abductive logic of systematic combining in the design of this study (ibid.), I question the adequacy of a single case to gain understanding of the diversity of sales interactions taking place in the field of business-to-business design consulting. Design services offered by Finnish design agencies range significantly in their nature and therefore I have chosen to select cases that represent different types of design services: graphic design, product design, and service design. These cases are selected based on the theoretical preconception that different types of design services have different roles in the client's business and are therefore evaluated based on different criteria. Further, based on existing research (Eneberg and Svengren Holm, 2015), the tangibility of the design service and its outcome might have an effect on the client's ability to appreciate the value created by the design service and thus can be seen to affect the sales interaction and appropriate sales practises to employ. Therefore, it is interesting to study cases with varying levels of tangibility. Finally, the multiple case study design enables a cross-case comparison, i.e. contrasting the findings between the cases to gain novel insights beyond initial impressions and examining rival explanations (Eisenhardt, 1989; Yin, 2014). In terms of the replication logic, the selection of the cases has thus followed a theoretical replication and the rationale is to see whether the empirical data supports the hypothesised contrast, i.e. that the type of the design service purchased and its relation to the client's overall business affect the framing of both problems and solutions in the sales interaction.

The initial interest for conducting this study was sparked by engagement with problems in the empirical world as I have worked with selling design services in an advertising agency. Dubois and Gadde (2014:1280) argue for this type of *problematization* that arises from the empirical context and deem it as a fruitful starting point for developing

interesting and influential theories. The first case to be studied was selected based on such observations from the empirical world and the two subsequent cases were then added based on theoretical aspects to enable the cross-case comparisons discussed above. Both Eriksson and Kovalainen (2008) and Yin (2014) argue that there is no single rule for the minimum number of cases to be studied. The selection of the number of cases should rather be based on the researcher's judgement of the ability of the chosen number of cases to rigorously fulfil the aims of the study and to answer the research questions (Yin, 2014). Further, the incremental contribution of each additional case should be considered, likewise the pragmatic considerations of time and resources available for the research at hand (Eisenhardt, 1989).

To conclude, I deem that the selection of the three cases is reasonable and sufficient both to gain a rich and in-depth understanding of the phenomenon being studied and to form analytical generalisations outgoing from the empirical data collected. Hence, I deem that the multiple-case study is designed in a way that enables to explore and answer the research questions of this study and thus to shed light on the sales interactions taking place between design agencies and their clients and to gain understanding of how design agencies can shape their sales practises. The three cases included in this study are introduced more in detail in Section 4.1.

3.2. Data collection

The empirical data collected in this study is qualitative, i.e. non-numeric (Saunders et al., 2012:151). Case studies are usually considered more accurate, convincing, diverse, and rich if they are based on several sources of empirical data, i.e. if the data has been triangulated (Eriksson and Kovalainen, 2008:126). In this study, I have collected data from three sources: semi-structured interviews, documentation, and observations. According to Yin (2014:120–121), the main advantage of data triangulation is the corroboration of findings and development of converging lines of inquiry across the multiple sources of empirical data. In systematic combining, the focus is on the potential of multiple data sources to contribute to revealing aspects previously unknown to the researchers, thus leading to the discovery of new dimensions of the research problem (Dubois and Gadde, 2002:556).

This study follows the logic of systematic combining and the data collection was commenced by observing one of the agency-client couples as I work in the selling

organisation and therefore was able to take on the role of insider researcher. These observations on the sales interaction then inspired the development of the theoretical framework and thus also guided the subsequent design of data collection in the form of interviews and examining documentations. Whereas the observations brought up new aspects to study, the documentation was employed to corroborate the findings from the interviews. Overall, the collection and analysis of the data were intertwined and overlapped throughout the study. The role of each of these data sources and the detailed process of collecting the data will be described below.

The role of an insider researcher in one of the cases allowed me to gather longitudinal and rich data on the sales interactions through observations. This is considered a significant advantage for the data collection as in the role of an insider researcher I was able to collect deep, rich, and complex data in the actual sales interactions and thus uncover what they really are like, which traditional approaches may not be able to uncover (Brannick and Coghlan, 2007). Further, the role of an insider researcher in one of the cases granted me access to several informants both within the selling and the purchasing organisations.

3.2.1. Interviews

Interviews as a data collection method are well-suited for capturing and studying the experiences and the sense of reality as seen from the respondent's point of view (Yin, 2014: 112; Eriksson and Kovalainen, 2008:81). Therefore, interviews suit well for the purposes of this study as the aim is to capture the perspectives and understanding of both the client and the seller on the same interaction. The key is in gaining understanding on how clients perceive, frame, and communicate design-related problems and how agencies interpret these problems and present solutions during the sales interaction.

The interviews conducted in this study were semi-structured and took place face-to-face with interviewees from six companies, representing the three agency-client couples. Semi-structured interviews are non-standardised and consist of a loosely defined list of themes and questions that are to be covered during the interview (Saunders et al., 2012:320). However, the order of questions may vary following the natural flow of the interview and some of the questions might even be left out (Saunders et al., 2012:320). This means that the interviewer has an active role both as

a listener and a participant in the discussion asking further questions based on the answers of the respondent (Yin, 2014; Saunders et al., 2012). Being in the role of an insider researcher and thus having preunderstanding of the phenomena studied, allowed me to use industry specific terminology and draw on my own experience in asking questions and following up on the replies of the interviewees (Brannick and Coghlan, 2007). Being able to pose good questions and having a firm grasp of the issues studied, contributed to a rich dialogue and obtaining richer data (Yin, 2014:74–76).

The interview guide was designed outgoing from the theoretical framework of the study in order to yield answers that contribute to answering the research questions. Both the seller and the buyer were interviewed around the same topics with questions as similar as possible in order to be able to compare their answers on the same issues and analyse whether there are differences in how agencies and their clients perceive the framing of problems and the communication of solutions in the sales interaction. Additionally, to yield concrete and accurate answers, the interviewees were asked to answer the questions in the scope of the latest design project undertaken. Finally, being in the role of an insider researcher, the familiarity of the phenomenon and context was controlled by asking basic questions as suggested by Saunders et al. (2012:182). Basic questions are questions that appear less likely to be asked both from the researcher's and the respondent's perspective as the answers to these questions are such that both already know the answers (*ibid.*). The full interview guide can be found in Appendices 1–2.

All in all, I conducted interviews with 10 respondents and the duration of the interviews ranged between 30 to 90 minutes. The full background information on the interviewees is summarised in Table 9. The interviews were audio-recorded and transcribed to maintain the chain of evidence as well as the use of direct quotes (Yin, 2014:127). In addition to the audio-record, field notes were taken during the interviews to record personal observations occurring during the inquiry to accomplish an overlap of data collection and analysis (Eisenhardt, 1989:538).

Table 9: Background information on the case companies and interviewees

Service design	
Design agency Hellon Minna Einiö, Commercial Director Education: design management	Client Kiwa Inspecta Tuomas Suominen, Marketing and Communication Manager Education: service design
Turnover: 2,1 MEUR (2016)	Turnover: 180 MEUR (2016)
Package design	
Design agency Sherpa Kalle Tarkiainen, Art Director Education: graphic design Jukka Niittymaa, Account Manager Education: film	Client Paulig Group (Coffee Division) Suvi Hovikari, Brand Manager Education: marketing Jutta Nordblad, Head of Brand and Digital Marketing Education: marketing Teemu Tommila, Senior Manager, Strategic Marketing Education: marketing, design management
Turnover: 2 MEUR (2016)	Turnover: 348,5 MEUR (2016)
Product design	
Design agency Pentagon Design Sauli Suomela, Design Director Education: industrial design	Client Stala Jari Peltonen, Category Manager Education: industrial design, design management
Turnover: 1,3 MEUR (2016)	Turnover: 11 MEUR (2016)

3.2.2. Documentation

Documentation on the sales interaction was used to triangulate the findings from the interviews to develop converging lines of inquiry (Yin, 2014:107, 120). These documents represent a source of secondary data, i.e. these sources of data have existed irrespective of the research and were written for some specific purpose and audience other than the research at hand (Eriksson and Kovalainen, 2008: 77–78, Yin, 2014: 108). This needs to be taken into consideration when interpreting the contents of these documents in order to avoid being misled by the original purposes of the documents (Yin, 2014:108).

The documentation examined in this study were the client's briefs and the agency's proposals. The aim was to explore how well the actual written briefs and proposals were in line with what the interviewees described during the interviews as well as to study more in detail what kind of representation formats were used and what kind of information these representations included. In the analysis of these documents, the briefs are seen to represent the client's framing of the problem, i.e. *customer-perceived problem*, whereas the proposals are seen to represent the *supplier-conceived solution*.

I was able to access all the briefs and propositions except for one seller proposals and one client brief as there was no written brief for the project. The documents included and analysed in this study contain confidential information and therefore are not published as a part of this study.

3.2.3. Observation

Working with sales in one of the agency-client couples, has enabled me to collect longitudinal observational data on the selling interactions in the role of an insider researcher. Insider research refers to research by complete members of organisational systems in and on their own organisations (Brannick and Coghlan, 2007:59). My role as an insider researcher is in line with Alvesson's (2003:174) definition of self-ethnography, which he defines as a study in which the researcher describes a cultural setting to which he or she has a "natural access" and is an active participant of with more or less equal terms with others. The researcher works in the setting and utilises the experiences, knowledge, and access to empirical material for purposes of the research (ibid.). Having a native role in the research setting and being a full member of the organisation, enhance the data gathering process which occurs both through the

detached observational role but also through the subjectively immersed role (Brannick and Coghlan, 2007:66). Hence, the idea is to utilise the position the researcher already has in the organisation, in contrast to a conventional ethnographer who would enter a certain setting from the outside with the primary and instrumental purpose to produce research (Alvesson, 2003:175). A self-ethnographer relies on the familiarity and preunderstanding of the setting as the empirical starting point and thus the main task of the analytical process becomes attaining enough distance to the setting studied in order to accomplish insightful and theoretically relevant ideas out of the existing and possibly non-articulated understanding (Alvesson, 2003).

In my central role as the project manager in one of the design agencies in the study, I had access to people, interactions, meetings, and documentation that is deemed relevant for studying the sales interaction. Further, I have a comprehensive preunderstanding of the sales interactions being studied as I am immersed in the organisation and have accumulated both insightful knowledge and experience on sales interactions. This preunderstanding has enabled many advantages for the inquiry of empirical material: accessing the right people and discussions, determining the critical events and aspects to study, using suitable and industry-specific language, drawing on my experience when interviewing, posing follow-up question, and interpreting the answers (Brannick and Coghlan, 2007:69). Further, my role has enabled me to study the sales interactions in their real-life context and to acquire understanding in use rather than reconstituted understanding (Brannick and Coghlan, 2007:66). Finally, having worked with the respondents for a longer period of time, has enabled me to build trust with them contributing to the potential of yielding richer and more detailed data.

Self-ethnography has the potential to yield novel and interesting empirical material that very closely depicts the real-world phenomena, leading to theoretical development that is well grounded in the empirical observations (Alvesson, 2003:178). Hence, self-ethnography can provide important knowledge on what the phenomena studied actually is like, which traditional approaches might not be able to uncover (Brannick and Coghlan, 2007:72). However, the closeness to data also poses the main criticism towards insider research as being native to the setting can lead to not attaining the distance and objectivity necessary for valid research (Brannick and Coghlan, 2007:60). This may lead to assuming too much or ignoring certain aspects of the phenomena studied (Brannick and Coghlan, 2007:69). Hence, when conducting insider research, it

is important to consider the aspect of reflexivity, i.e. to explore and deal with the relationship between the researcher and the object of research and what kind of consequences this might have for the outcomes and the quality of the research (ibid.). The possible negative consequences of employing self-ethnography and ethical considerations are discussed more in detail in Section 3.4.

The insider observations undertaken in this study were covert, i.e. those being observed were not aware of the study, as being open about the study agenda might have affected the behaviour of the people being studied and thus diluted the validity and reliability of the study (Saunders et al., 2012:195). Observations were mainly focused on sales interaction with the client, taking place over meetings and phone calls, as well as internal meetings at the agency, dealing with the planning and development of the proposal.

3.3. Data Analysis

A distinctive characteristic of any qualitative inquiry is its emphasis on interpretation and therefore the choice of method for analysing the data gained plays a crucial role for the findings of the study (Eriksson and Kovalainen, 2008). Qualitative methods often yield rather massive amounts of multifaceted data and therefore require categorisation in order to understand, interpret and analyse the data (Saunders et al., 2012). Hence, in the following, the logic of the data analysis of this study is presented.

Dubois and Gadde (2002) compare the analysis of the findings of an abductive case study to solving a jigsaw puzzle, i.e. a task of filtering and assembling the findings of the study to create a coherent and parsimony picture of the outcome. Yin (2014:143) refers to a similar process as pattern matching which is defined as comparing an empirically based pattern, i.e. pattern found in the empirical findings of the study, with a predicted pattern made before collecting the data. In this study, the pattern was built in an abductive manner by moving between the theory and the empirical findings, and concluded in the creation of the theoretical framework that guided both the collection and analysis of the data. More specifically, the data analysis plan of this study consisted of three steps that were inspired by Eisenhardt (1989) and are visualised in Table 10.

Table 10: Data analysis plan of the study

Step 1: Within-case analysis	Step 2: Cross-case analysis	Step 3: Comparison to theory
<ul style="list-style-type: none"> • Analysis of data case-by-case in order to understand each case in-depth and allow for case-specific patterns to emerge • Coding the data outgoing from the theoretical framework 	<ul style="list-style-type: none"> • Comparison of within-case findings of mutual patterns between the cases • Coding and structuring the findings outgoing from the theoretical framework 	<ul style="list-style-type: none"> • Comparison of the empirical findings with the existing theory • Forming the conclusions, augmenting the existing understanding, linking the findings to academic discussion

First, as suggested by Eisenhardt (1989), the within-case data was closely analysed to build an understanding of each case and to allow for the emergence of a unique pattern. This was done by transcribing the interview data into a more workable format. Further, the data was coded into categories outgoing from the theoretical cornerstones of sales as a problem-solving process, i.e. customer-perceived problem, supplier-perceived problem, supplier-conceived solution, and customer-perceived solution. In order to avoid lengthy repetition in the reporting of the study findings, the within-case analysis was included only in the case study database and this thesis reports the more insightful cross-case synthesis of the findings.

Secondly, the within-case descriptions were compared across the three cases in order to conduct a cross-case analysis and enable the identification of mutual concepts and patterns between the cases as suggested by Eisenhardt (1989). The tactic for selecting the patterns arose from a comparison of the theoretical framework and the empirical findings. Hence, the main dimensions of the analysis, that were also applied to structure the presentation of the empirical findings, were the cornerstones of the theoretical framework used already in the within case analysis. The analysis within these main categories was in turn based on mutual patterns arising from the empirical findings. Carrying out the cross-case analysis of the data enhances the accuracy and reliability of the findings as well as the probability of capturing novel findings as it forces the investigator to go beyond the initial impressions (Eisenhardt, 1989:541).

In the third and final phase, the empirical data was compared to the theoretical framework and the existing literature in the fields of design, sales, and purchasing to form the conclusions of this study, to augment the already existing understanding of sales interactions in the field of design, and to link the findings of this study to the relevant academic discussion in the topic. This discussion was structured outgoing from the research questions set in this study in order to give a clear overview of how

this study contributes to enhancing the understanding of the research questions studied. Eisenhardt (1989:545) emphasises the importance of tying the emergent case study findings and concepts to extant literature in order to enhance the internal validity and generalisability of the case study and its findings.

3.4. Evaluation of the study and ethical considerations

In order to evaluate the quality of this study, I have chosen to use Yin's (2014:45–46) four commonly applied logical tests and the linked tactics of dealing with these tests in order to ascertain and evaluate the quality of this study. Yin (ibid.) categorises these tests and the accompanying tactics as *construct validity*, *internal validity*, *external validity*, and *reliability*. First, *construct validity* refers to identifying correct operational measures for the concepts being studied (ibid.). In order to enhance the construct validity of a study, Yin (ibid.) suggests using multiple sources of empirical evidence, establishing a chain of evidence, and allowing the key informants to review the draft of the case study report. In order to ascertain the construct validity of this study, I have collected data from multiple sources, i.e. semi-structured interviews, self-ethnographic observations, and documentation. The observations guided the research interest and purpose in the first place and led to the formulation of the theoretical basis of the study, whereas interviews and further observations were applied to test the validity of the initial observations. Further, the documentations were analysed to build further understanding of the cases as well as to check the accuracy of the interviewees' answers. In order to maintain a chain of evidence, the empirical data has been collected following a case study protocol and the collected data has been compiled into a case study database. To increase the transparency, the interview questions are provided in Appendices 1–2 and direct citations from the interviewees are presented as part of the case study findings. Finally, all the key informants of the study were asked to review the analysis of the case study findings in order to get their consent to publish the results as well as to check the validity of the analysis.

Secondly, *internal validity* is mainly relevant for explanatory studies and refers to seeking to establish a causal relationship where certain conditions are believed to lead to other conditions (ibid.). This study is partly explanatory as one of the aims of the study is to see how different client evaluations of design purchases affect the most effective sales practices to be applied by design agencies selling design. Hence, in order to enhance the internal validity of the study, I have utilised pattern matching

techniques in the analysis of the case study findings as suggested by Yin (ibid.). In other words, the empirical data has been thoroughly analysed in order to make sure that I have not missed any other possible factors affecting the client evaluations of design purchases or factors affecting the sales practices applied by design agencies than the ones found in this study.

Third, *external validity* refers to defining the domain to which the findings can be generalised. In the context of cases studies, it is important to understand that the findings should not aim to make any statistical generalisations and that the cases should not be chosen with the aim to generalise the empirical findings from these cases to a certain population (Yin, 2014:57–63). As discussed more in detail in section 3.1.1., this study aims to make analytical generalisations and therefore the case selection was based on theoretical reasons and the cases were chosen following a replication logic, as suggested for multiple-case studies. When making such analytical generalisations, logical coherence is an important criterion for evaluating the quality of the case study. In case studies, logical coherence has to do with the adequacy of the research process and the empirical grounding of theory (Strauss and Corbin, 1990) and therefore it is important to maintain the transparency of the research process making it possible for the reader to evaluate the logical coherence of the study (Eisenhardt, 1989).

Finally, *reliability* considers the level to which the operations of a study, such as data collection procedures, can be repeated with the same results (Yin, 2014:45–46). To increase the reliability of a study, Yin (ibid.) suggests using a case study protocol and developing a case study database. Both of these practices were carried out in this study and to further document the progress of this research, the overall research design and logic as well as the data collection and analysis methods have been described in detail in this chapter.

In addition to the tests for the case study quality presented by Yin (2014), I deem it necessary to discuss the threats to quality that arise from the specific design and data collection methods of this study. These threats relate mainly to my role as a self-ethnographer and how it might affect the relationship between me as a researcher and the interviewees that I have a business relationship with as well as my interpretation of the observation results. First, in order to address the close relationship to the study participants, Eriksson and Kovalainen (2008) emphasise the importance of analysing

and reflecting upon this relationship in order to acknowledge how the power relationships between the researcher and the participants might affect the study and its results. Being reflexive about how these power relationships are involved in making interpretations and suggestions, improves the trustworthiness of the study (ibid.). I acknowledge that working closely with one of the client firms in the study, might have affected the way they have answered to certain questions. However, I deem that the close relationship and trust between me and the client participants has enabled me to collect nuanced and in-depth data that would not have been possible to access without having a close relationship with the research participants. In addition, being native to the situation enabled me to have a more insightful conversation with the participants and cover the sales interaction more in-depth. Secondly, to control the threat of observer bias, i.e. the threat of the researcher's own perceptions to colour the interpretation of the results, Saunders et al. (2012:297–298) suggest two tactics. The first tactic is to revert the process by questioning the conclusions of the study, i.e. asking whether the interviewees actually meant what the researcher had interpreted from his or her answers (ibid.). The second tactic of informant verification is a form of triangulation and refers to letting the informants to verify the analysis of their interview answers and the observations made. I have chosen to adopt this tactic to control the reliability of my interpretations of the findings and therefore all the informants in the study had the opportunity to go through their answers and my analysis of them in order to improve the reliability of the conclusions.

In order to consider the ethical aspects of academic research, there is a variety of guidelines available that assist in dealing with the ethical concerns. I have chosen to apply the guidelines by Eriksson and Kovalainen (2008) to address the ethical considerations of this study. As defined by Eriksson and Kovalainen (2008), research ethics refers to the entire research process from initiation of the relationship between the researcher and research object to writing up and publishing the report. The first principle is that people should *participate voluntary* to the research, which was ascertained in this study by neutrally asking for the participants' interest in taking part of the study as well as giving the chance to withdraw from the study at any given point. The second principle of *informed consent* links closely to voluntary participation and refers to being transparent about the purpose of the study and its basic procedures, the roles and identities of researchers and their possible beneficiaries, and the final use of data. In this study, all the interviewees were presented with the purpose and background of the study as well as how the data would be used and where it would be

published prior to them agreeing to be part of the research. However, some of the self-ethnographic observations were covert, i.e. those being observed were not aware of being observed (Sunders et al., 2012: 195), as in the first phases of the research the observations were used as an inspiration for the research approach before the thorough planning of the final research design. Additionally, some of the observations were forced to be done covert as being open about the study agenda might have affected the behaviour of the people being studied. Covert observations can be ethically problematic but these issues can be tackled (ibid.). To deal with the ethical issues of covert observation in the role of an insider researcher, I have debriefed the participants about the observations, i.e. informed that they have been observed for the research and asked for their consent to use the material in this study (ibid.). Further and as described before, the data collected through observations and my conclusions on the data were presented to the informants for approval and verification of the content (Saunders et al., 2012:298).

The third principle of good ethics according Eriksson and Kovalainen (2008) deals with *professional integrity*, i.e. showing the logic of the analysis and arguments, reporting this logic in the research report, and keeping a record of the research procedure and analysis in order to be able to get back to the process later on. As described earlier with respect to maintaining the chain of evidence of the study, this study has aimed to be transparent in reporting the logic, design, and process of the research as well as the collection and analysis of the empirical data. Further, ascertaining that *no harmful or negative consequences* are expected for the participants of the research is considered important for ethical research. The commercial and competitive environment of sales and purchasing might make the research participants feel reluctant to disclose data that can reveal their competitive strategies, thus leading to negative impacts for their business. In order to avoid this, all the participants have been given the choice to stay *anonymous* as well as the opportunity to go through the findings and ask for removal of sensitive data. The two final principles of good ethics in academic research suggested by Eriksson and Kovalainen (2008) deals with respecting the work of the other researcher and the research community at large and thus refers to not *silencing* other researchers or being guilty of *plagiarism*. In order to avoid silencing other researchers and plagiarism, I have referred in a right and proper manner to other researchers' scientific work and input, thus acknowledging their intellectual property rights. (Eriksson and Kovalainen, 2008.)

4 EMPIRICAL FINDINGS

This chapter introduces the empirical findings of this study and is divided into two main sections. First, short descriptions of the cases and their backgrounds are given in terms of the business area of the client, the type of design services purchased and an overall outlook of the project. The remainder of this chapter introduces the findings outgoing from the theoretical approach of sales as a problem-solving process and is thus divided into the main sections of reaching alignment on the framing of the problem (4.2.) and reaching alignment on the solution (4.3.).

4.1. Case descriptions

4.1.1.1. *Paulig and Sherpa*

The package design project between Paulig and Sherpa was initiated in June 2017. Paulig Group is a family-owned and international enterprise in the food industry, founded in 1876 (Paulig Group, 2016). Paulig operates in the key sectors of coffee, foods, flavouring and snacks, out of which the coffee division and international food concepts account for a remarkable part of sales (ibid.). The package design project at hand concerned a ready-to-drink (RTD) coffee product and was hence carried out with the coffee division of Paulig Group (hereafter Paulig). Sherpa is a creative marketing agency founded in 2009 with the vision of providing holistic concepts to their clients, all from planning to production (Sherpa, n.d.).

Prior to the package design project examined in this study, Sherpa and Paulig had worked on a package design project for a limited-edition launch for the same RTD brand the previous summer. This project was initiated with a tendering process, where Paulig was looking for new and fresh insights to tackle the increasing competition in the product segment as well as to attract a younger target group. Sherpa was chosen to the tender as a challenger and mainly due to Sherpa's image as having a good understanding of the trendy and young target group as well as the prior projects carried out with one of the client leads. Sherpa ended up winning the tendering process due to a proposal that both tackled the need and objectives set in the brief and was close to a finished version of the package and was thus easy to execute on the tight schedule the client was working with. The main reason for commissioning Sherpa with the package

design project analysed in this study, was the success with the limited-edition package design that resonated well with the target group.

The package design project at hand had similar objectives, and thus design was primarily used as a driver of differentiation, brand desirability, and competitive advantage in order to increase sales. The package design project was concerned with a visual update of the brand image and thus the packages and therefore design was mainly applied as styling in the form of graphic design. The updated packages were launched to consumers in March 2018 and hence no commercial results were yet available at the time of conducting this research. However, the initial feedback on the designs both internally and from the field seemed very positive.

4.1.1.2. Stala and Pentagon

The product design project between Stala and Pentagon Design was carried out during the spring and summer of 2016. Stala is a Finnish family-run business that produces high-quality and durable products of stainless steel in product categories such as kitchen worktops and sinks, mailboxes, and wood racks (Stala Oy, n.d.). Stala has its roots in its appreciation of Finnish work, functional design, and high quality. Industrial Design has always been a central part of Stala's business and design thinking and design management are an inherent way of working for the organisation, as described by the interviewee Peltonen during the interview. Pentagon Design is one of the leading Nordic design agencies and was founded in 1996 (Pentagon Design, n.d.). Pentagon Design provides their clients with holistic concepts resulting in user-driven products, packaging, spaces, services, and brand experiences that create delight for consumers and value for clients (ibid.).

The product design project analysed for the purposes of this study concerned the concept development and design of a ground-breaking composite sink. The aim was to create competitive advantage by tackling unsatisfied consumer needs with an insightful design. The initial concept development phase was carried out internally at Stala and Pentagon Design was included in the project in order to gain creative and external insights as the aim was to create something new and different. Peltonen considered that choosing Pentagon Design for the project was rather easy as they have been working with each other with different projects for eight years and Peltonen was convinced that Pentagon Design would have the right people, skills, and competences

for the project at hand. Hence, the project moved on from the initial sales interaction phase to the actual design phase quite naturally and rapidly. The composite sink designed in the project has been launched on the market but due to a long-time delay between the launch and the sales data being available, no actual commercial results were available at the time of conducting this research. However, initial feedback for the product design has been positive.

4.1.1.3. Kiwa Inspecta and Hellon

The service design project between Kiwa Inspecta and Hellon was initiated in January 2017. Hellon, formerly Diagonal Mental Structure Oy, was founded in 2009 is a pioneering service design agency with a vision to help its clients to create better services and experiences with a human-centred approach (Hellon, 2018). Their services range from creating powerful service strategies to engaging experiences and cultural change in organisations with the aim of either boosting the performance or competitive edge of the organisation (ibid.). Kiwa Inspecta is the leading provider of inspections, testing, certification, technical consultancy, and training services for a variety of industries in the Northern Europe (Inspecta Group, 2017a). Hence, Kiwa Inspecta provides specialist consulting services and wants to help its clients to go forward as independent, impartial, and innovative partners (Inspecta Group, 2017b).

The need for service design was sparked by a change in Kiwa Inspecta's strategy as high-quality customer experience was defined as the key objective in it. In order to reach this objective, they needed to be able to provide their customers with better solutions. To provide high-quality customer experience and better solutions, also the employee experience needed to be enhanced. For this end, Suominen, the client lead at Kiwa Inspecta, deemed service design to be the right solution. At first, the idea was to commission a service design provider to develop new services and solutions, but soon the company realised that they should learn to create these services themselves as this was the cornerstone of their new strategy and vision. Hence, the task of the service design agency became to train Kiwa Inspecta about service design and service design methodologies and tools. In this project, service design was not used to develop new services but rather to enable learning in the organisation.

The service provided by Hellon was an Ambassador programme with seven days of training on service design processes and tools with the goal of creating service design

ambassadors inside the organisation and putting the new strategy of customer-centricity into practise. Kiwa Inspecta took a leading role in the project as they coordinated the project and new service design projects that were initiated as an outcome of the training programme. The project was seen as a test and the first step towards changing the company culture towards a service logic with emphasis on the customer experience. The initial project has already been finished but Kiwa Inspecta and Hellon are currently initiating a second project together.

4.2. Alignment on the framing of the problem

This section introduces the sales interaction in terms of what design agencies and their clients actually do during the sales interaction in order to align on the customer-perceived problem. The customer perceived-problems were communicated to the design agencies predominantly in the form of a brief, supported by face-to-face meetings reviewing and discussing the brief as well as more informal phone calls. The nature of the brief seemed to depend on the object of design and its complexity as well as the client's design literacy in terms of prior experience in working with design or educational background in design. Further, the nature of objectives set for the project naturally affected the framing of the brief, thus having consequences also for the evaluation of the solutions. The package design case had its focus on marketing and brand objectives, whereas the product design project aimed to capitalise on market opportunities by tackling user needs in an insightful way with a user-friendly product design. The objectives of the service design case were the most intangible as they dealt with long-term cultural change in the organisation.

The package design project and the product design project had precise and written briefs, whereas the service design case did not have a brief at all at the outset of the project. The contents of the briefs and their thoroughness varied based on the object of design. Suomela from Pentagon Design illustrates the variance of the briefs in his comment:

“The more concrete and specific the object of design is, for example the sink, the more precisely the brief is defined. It often includes information on technical aspects such as materials, functions and sizes.” (Suomela, Pentagon Design, 2018)

As the nature of the briefs varied across different cases, the agencies also demonstrated different types of sales behaviours and utilised different types of

representation formats to create mutual understanding on the client framing of the problem. As the intangibility and open-endedness of the projects increased, the role of the design agencies was more active in the briefing, helping the clients to uncover the needs and problems through asking questions, formulating the clients' thoughts and collaborating together on defining the problem.

As seen in the discussion above, the framing of the problem plays a crucial role in the first phases of the sales interaction and sets the course for the rest of the project. Both the clients and the agencies acknowledged the importance of finding mutual understanding on the customer-perceived problem in order to achieve successful results. Table 11 summarises the findings with respect to the criteria guiding the framing of the problem and the factors affecting this process as well as the sales practices agencies tended to demonstrate in order to align on the customer-perceived problem. In the following, the findings are introduced more in detail with respect to both the customer- and the supplier perceived-problem.

Table 11: Criteria and factors affecting the framing of the problem and the subsequent sales practices found in the empirical data

Criteria and factors affecting	Sales practices
<p>Criteria used for framing the problem</p> <p>Usability-related factors (PROD) Brand-related factors (PKG) Commercial objectives (PROD, PKG) Potential to create competitive advantage (PROD, PKG) Achieving organisational change and learning (SERV) Resources and competences required (all) Feasible production methods and materials (PROD) Budget (all) Quality of design (PROD, PKG) Innovativeness</p> <p>Factors affecting the framing of the problem</p> <p>Complexity Physical and mental intangibility, knowledge-intensity</p> <p>Design literacy Ability to articulate needs and envision desired solutions</p> <p>Level of design application Affects the position of the client lead, objectives set and expected outcomes and impact</p>	<p>Sales behaviours</p> <p>Asking (e.g. diagnosing the needs) Challenging (e.g. shifting the framing the problem) Telling (e.g. presenting an analysis of the problem) Making (e.g. collaborating through workshops) Showing (e.g. presenting the agency and its services)</p> <p>Representation formats</p> <p>Presentations</p> <ul style="list-style-type: none"> Pre-made presentations about the agency and its services <p>Textual materials</p> <ul style="list-style-type: none"> Checking that the framing of the situation has been understood correctly (e.g. Hellon's challenge – objective – outcome statement) <p>Workshops</p> <ul style="list-style-type: none"> Helping the client frame the problem, scoping the space for the solution, creating mutual understanding, increasing commitment

PROD = product, PKG = package, SERV = service

4.2.1. Customer-perceived problem

The customer perceived-problems were communicated to the design agencies predominantly in the form of a brief. Analysing the interview data, it was evident that the type of the design service and its expected outcomes in the scope of the client business as well as the client's design literacy affected the nature of the brief. The package design and the product design projects had precise and written briefs outlining the background and business context for the project, key objectives both in terms of business and usability, specifications for the product or package attributes, timetables, key stages in the project, and tasks and roles of the agency. Quite on the contrary, the service design project did not have a written brief and when initiating the project, the client had not specified the desired outcome of the service.

4.2.1.1. Briefing practices and content of the briefs

In the product design project between Stala and Pentagon Design, both parties state that the brief was systematic and clearly defined the problem and what needs to be done:

“The briefs are very precise, which is a good thing. A precise brief does not mean that all the aspects are already defined and given but rather that the problem is defined in the right manner and that the brief defines what is wished to be done.”
(Suomela, Pentagon Design, 2018)

Peltonen from Stala emphasised that they focus on working in a systematic and constructed manner. In the sink case at hand, they had conducted a thorough concept development phase identifying gaps in the market and focusing on how they could better cater to user needs. During the concept development phase, they had done user research and scoped the possibilities for the product development. Hence, Peltonen deemed that it was easy to define the needs and objectives in the brief as they had the research data to back up their decisions as well as a clear vision of what they want to achieve with the project. Further, having an educational background in industrial design, Peltonen had a clear vision of what kind of competences and added value Pentagon Design could provide.

Suomela, the account manager in the project at Pentagon Design, agreed and deemed that Stala succeeded very well in defining the problem and the desired outcomes for the project. He assumed that this was due to the concept developed phase that the client had carried out internally, thus spending enough time on evaluating the situation

and identifying interesting business avenues. In other words, the problems and their possible solutions have been adequately discussed before briefing the agency. Consequently, Suomela did not feel the need to question Stala's brief and as the briefs are systematic and build on reasonable arguments, Suomela considered that it could seem even inappropriate to question them. Further, the client lead's educational background in design was considered highly advantageous as the client could accurately articulate Stala's objectives and needs as well as what kinds of design methods and tools could be utilised to solve the problem.

Stala's brief was thus built on the already carried out concept development, market analysis, research data, volume estimates, target costing, launch plan, and timetables. Peltonen considered that the more complex a design project is, the more extensive and precise the brief becomes. Analysing the brief document provided by Peltonen, the brief lined out very clearly the background of the project as well as its business context and objectives. Additionally, key features of the desired solution, possible materials and production methods, key challenges and objectives as well as timetables, resources and responsibilities were defined in the written brief. The objectives were set in terms of the quality, usability, desirability and innovativeness of the design as well as in business terms of achieving competitive advantage and building the desirability of the brand. In the interview, Peltonen emphasised the importance of commercial objectives, especially in terms of sales:

"The cold fact is that we track sales. At that point, we're not interested in whether the design was liked or whether the usability accounts for the objectives set in the brief. Of course, the usability objectives are important and we track them as well. But without tracking the commercial targets, this is activity is recreational."
(Peltonen, Stala, 2018)

Despite the importance given to tracking the commercial targets and sales, these were not defined in the preliminary project plan and brief provided by Peltonen. Nevertheless, when framing the problem, Peltonen emphasised that they always define both clear objectives for the usability of the design and the business objectives in terms of target costing, sales price, sales objectives, the project budget, based on which the project ROI and payback period are tracked.

Considering the commercial outcomes of the project was deemed important also by Suomela from Pentagon Design as he recognised that these aspects were important for the client:

“We are not designing anything for ourselves. We design things for our clients and for their customers. It’s very seldom about art. It’s about how the investments they put into the design and product development can be turned into business and commercial results.” (Suomela, Pentagon Design, 2018)

However, Suomela considered that it is hard to determine or motivate the commercial outcomes of a design project at the outset of the project and there is no absolute data that these arguments could be based on. Nevertheless, the agency can consider the possible design solutions in the scope of the client business and its effects on production or materials costs, logistics, and sales channels. Hence, by understanding the client’s business logic and the role of design in it, the agency can better argue for their solutions.

In the package design project between Sherpa and Paulig, the business objectives played the most crucial role, mostly related to marketing and objectives set for the ready-to-drink (RTD) product category at hand. As Nordblad summarised it:

“Well, everything always starts with the business objectives so the objective was a certain increase in sales.” (Nordblad, Paulig, 2018)

Tarkiainen, art director at Sherpa, agrees and states:

“In the end, the package doesn’t have any other purposes than selling the product. If it doesn’t reach the objectives, the update has been useless.” (Tarkiainen, Sherpa, 2018)

However, Paulig had also defined clear brand-related objectives for the project that had been identified through tracking the current situation and sales, consumer behaviour and market trends, the competitive environment and reconsideration of the key target group for the product. A key determinant behind the decision was a successful re-launch of a limited-edition product the previous summer, for which Sherpa had designed the package. Hence, the key objectives set for the projects was to freshen up the package to be relevant for the younger target group, to make the package stand out on the shelf amongst the intense competition in the segment, and to overall build a more desirable, quirkier and up-to-date brand image driving consumer preference. Being an impulse product, the package simultaneously served as the primary communication and advertising medium for the product. Hence, the objectives stemmed predominantly from aspects related to the brand and more effectively reaching and engaging the target group.

Observing the briefing meeting and now analysing the brief, the background and business context, the role of the brand in the overall product portfolio and both the business objectives in terms of sales as well as the brand objectives were clearly defined in the written brief. Hovikari described the key ingredients of a brief being an outline of the background of the brand and the product and its competitive environment, the desired outcomes, and the concrete deliverables that are expected from the agency. Both Hovikari and Tommila admitted that they usually put quite a lot of time in preparing the briefs. While Nordblad (Head of Brand and Digital Marketing) and Tommila (Senior Manager, Strategic Marketing) deemed it easy to define the brief as they had their internal and external research data to back up the decisions, Hovikari (Brand Manager), who was primarily responsible for preparing the brief, considered the briefing rather challenging. She deemed that the challenges arise from the fact that the brand identity and the key visual elements of the brand had not been clearly defined as the brand had previously tried to fulfil a wide range of consumer needs. Especially determining the deliverables, based on which the agency's work would be evaluated, was considered challenging by Hovikari as she did not want to limit the creativity of the agency:

"Defining the concrete deliverables that you want the agency to bring to the table at the end of it all requires quite a lot of expertise in my opinion." (Hovikari, Paulig, 2018)

"With creative things, you're always dealing with the problem of how to best capture the creative idea in a concrete form so that you can concretely look at and evaluate it without destroying the creativeness." (Hovikari, Paulig, 2018)

Hence, Hovikari experienced it challenging to determine and envisioning at the outset of the project what the final deliverables might be, i.e. what the space for the desired solution was. Tommila, having an extensive experience in working with consumer brands and packaging and an educational background in design management, had a clear vision of the most helpful formats of the deliverables. Hence, Hovikari considered Tommila's design experience to be of great importance in preparing the brief. The format of the final deliverables and the client perceptions on these are covered more in detail in Section 4.3.

Even though Paulig's brief was rich on information and giving a background for the design work was considered an important task of the brief, both Hovikari and Tommila considered that the agency's creativity should not be limited too much. According to

Tommila, a good brief presents the starting point and the space for desirable outcomes:

“Such briefs that already have an answer to everything are horrible. You get a feeling of being useless as everything has already been defined and simultaneously the excitement wears out.” (Tommila, Paulig, 2018)

Hence, dealing with such creative projects, both Tommila and Hovikari deemed that the brief should be dynamic and not define too strictly the outcome but rather give the tools and guidelines for the design work. Hovikari deems that it is important to understand the different steps along the way to the final solution and that the framing of the problem and the space for the desirable solution might also evolve along the way as the designers explore different ways to solve the problem.

In the service design project between Kiwa Inspecta and Hellon, there was no written brief and the client lead Suominen acknowledges that it was not easy to define the needs that they had for the project as they had no prior experience in buying service design. When they set out for the project, they had not clearly framed the problem and therefore did not either have any possible solutions in mind, other than that they would use service design methodologies to develop new services and thus improve their customer experience. Gradually, by having discussions with different service providers, the problem at hand and the space for possible solutions started to clarify and the client gained self-confidence. Hence, the framing for the customer-perceived problem was specified through a dialogue with the seller.

Especially the budget discussions were deemed challenging by Suominen as he and his colleague did not have enough experience to make a clear judgment of the appropriate budget ballpark at the outset of the project. Rather, the understanding for an appropriate budget clarified as the meetings with the prospective service providers proceeded, as did the needs for the project:

“Meeting the first candidate, we didn’t dare to disclose the budget as we were afraid that they’d laugh at us. By the second meeting we had gained confidence that the budget would be enough and told how much budget we had. Meeting the third candidate, we were open about the budget right from the start.” (Suominen, Kiwa Inspecta, 2018)

Suominen deemed that having a clear budget and being open about it made the conversations much easier and gave an appropriate scope for the project right from the start. He admits that in the next briefing, they should have a clear budget earlier on.

Finally, the strategic role of the service design project naturally affected the objectives set for the project that were rather intangible. As the project was about enabling cultural change and ongoing learning in the organisation in the long-term, it was challenging to set concrete targets for the desired design solution in the briefing phase:

“We can’t think of this as a single project. The idea is to form a training programme that we can continue on yearly basis. We’re not thinking on quarterly but rather on yearly basis.” (Suominen, Kiwa Inspecta, 2018)

“This is about changing the culture. It doesn’t have any concrete objectives.” (Suominen, Kiwa Inspecta, 2018)

The strategic importance of service design also affected the framing of the problem and space for the desired solution in the sense that as service design was to have long-term and company-wide effects, it could not be placed entirely outside the organisation into the hands of an external service provider. Therefore, Kiwa Inspecta wanted to have a central role in the project and thus enable learning in the organisation:

“But the conversation eventually proceeded so that we realised that we actually don’t want to have a service design agency come and make things for us, rather we need to learn how to design services ourselves.” (Suominen, Kiwa Inspecta, 2018)

4.2.1.2. Interaction in the briefing phase

Despite having a written brief or not, all of the interviewees considered it important to present the brief face-to-face as it enables discussion between the seller and the client, through which both parties can ask questions or make specifications:

“Yes absolutely, the brief needs to be given face-to-face. Especially if we’re dealing with a bit more complex case. We always go through the briefs face-to-face.” (Peltonen, Stala, 2018)

The briefing meeting was considered as an important possibility for discussing how the design project would be executed in practice, what the key stages and timetables are, and how the client’s and the agency’s processes will match. Tommila from Paulig deems that considering the responsibilities of each party and finding a way of working where both the agency’s and the client’s special expertise can be utilised are the most important aspects of the face-to-face communication. Further, Tommila sees the briefing meeting as a crucial occasion for inspiring the agency:

“The briefing meetings should be inspiring. You can share as much information as you want and it can be studied after the meeting but the primary task is to inspire.” (Tommila, Paulig, 2018)

All of the agencies considered that the level of the briefing discussion is highly dependent on the client’s background and knowhow. The interviewees considered that the importance of the briefing dialogue increases when the case gets more complex, as was demonstrated by the service design case where Einiö from Hellon led the briefing discussion by asking questions to frame the problem and scope for possible solutions. Hence, open-ended problems and undefined client needs necessitate different sales behaviours from the seller. These and the sales practices undertaken to create mutual understanding on the framing of the customer problem are discussed more in detail in the next section on the supplier-perceived problem (see Section 4.2.2.).

4.2.1.3. Information shared during the briefing

Finally, the briefing meetings were considered important for sharing company-specific information and all the client leads deemed open discussion and information share to enhance the collaboration and the outcomes. Two of the cases, the package design case with Sherpa and Paulig and the product design case between Pentagon Design and Stala, represented situations where the client and the agency had already been working with each other for a longer period of time. Hence, trust had already been built between the actors and the clients felt conformable sharing information with the seller and deemed it to be mutually beneficial. Nordblad from Paulig considered that a transparent process is important and therefore they strive to share all the relevant information available. For example, information on sales objectives and Paulig’s internal decision-making processes are considered relevant as they affect both the solution to be designed and the process of designing:

“It’s pretty much impossible to start making a design without understanding what it is aimed at and what the expectations are.” (Nordblad, Paulig, 2018)

Despite the case between Kiwa Inspecta and Hellon being a tendering process, Suominen from Kiwa Inspecta considered it important to share information with Hellon. Suominen deemed that information share was crucial as it would have been impossible to provide a service design solution, that is closely linked to strategic objectives of the company, without being acquainted with the company strategy:

"I think she got all the information she needed. She's keen on asking and we are keen on explaining." (Suominen, Kiwa Inspecta, 2018)

4.2.2. Supplier-perceived problem

Across all the cases, the design agencies considered it important to understand how the client perceives the problem in order to create value-adding design solutions. Depending on the clients' ability to frame their problems across different types of design services that was reflected in the clarity and comprehensiveness of the briefs, the agencies also demonstrated different types of sales behaviours and utilised different types of representation formats. In the product design project, the brief and the client's needs were clear and the deal was closed based on the first quotation by the seller before moving on to the actual design process of the design solution. Likewise, the package design project had a comprehensive and clear brief but the subjectivity of the assessment in terms of visuality and creativity increased the complexity of the process. On the contrary, the service design case involved more dialogue and specifications through the act of asking. Hence, especially in the service design case, the seller had a central role in diagnosing the customer needs and thus aligning on the problem framing.

4.2.2.1. Sales practices to align on the supplier-perceived problem

Unlike in most other design projects, Einiö from Hellon considers that unclear and open-ended briefings similar to the Kiwa Inspecta case are very common in the field of service design. Clients often struggle in formulating the rather intangible and open-ended challenges and the discussion with them is often highly non-structured and meandering:

"They just tell us everything they have on their minds. They can't quite grasp those ideas amidst the storm of ideas they have going on in their heads. That's the exact problem they have and the reason why they come to us." (Einiö, Hellon, 2018)

Here, the expertise of the seller is manifested in his or her ability to listen the client, ask the right questions, grasp the core of the client's ideas and put these rather unstructured lines of thought into a defined storyline of what needs to be done. Hence, according to Einiö, it is greatly on the seller's responsibility to diagnose the needs and frame the problem and then outgoing from these to identify the possible avenues for the solution.

Pentagon Design had also faced projects with other clients, where the client had struggled in communicating their needs. In such cases, the clients tended to have recognised a problem in the customer interface but were unsure of how these problems could be tackled, i.e. what the space for the possible solutions might be. Suomela deemed that these situations could also be fruitful but require a different kind of approach focused on asking and diagnosing:

“We start by thinking what we should ask the client in order to define these things.”
(Suomela, Pentagon Design, 2018)

“It is important to sit down together with the client and try to get all the possible background information on the actual problem. How can we deconstruct the situation so that we can dig out the core of the problem? What should we do to solve the problem?” (Suomela, Pentagon Design, 2018)

As can be noted in the quotes by Suomela, the agency practices the sales behaviour of asking in order to diagnose the actual problem and to help the clients in framing it. However, here the interactions are not merely focused on diagnosing the problem but also scoping the space for the possible solutions. This is important so that the agency can determine whether they have the right tools and resource to solve the problem:

“We can’t automatically say that [product] design will solve the problem. It might be that we need to build a new service or create a new brand to solve the problem.”
(Suomela, Pentagon Design, 2018)

Hellon tended to simultaneously both diagnose the needs and scope the solutions in a similar manner as was illustrated above. In other words, the framing of the problem and proposing possible solutions are integrated in the sales communication. Hellon has also developed a process to structure the often fuzzy front-end of the service design projects that often lack a written and formal brief. Hellon calls this a statement of a *challenge, an objective and an outcome*. This is a procedure Hellon follows in all sales interactions and is seen to represent a brief in cases where the client has not provided a written brief. This statement is then communicated to the client in order to ask whether the framing matched with the client’s perception of the problem:

“We write them an email after the meeting. We thank for the meeting and in a few lines of text we define the challenge, objective and outcome based on the discussion we had. Then we ask them whether we understood these correctly.”
(Einiö, Hellon, 2018)

Both Sherpa and Pentagon Design tended to employ different collaborative workshop formats to help the clients frame their ill-structured or open-ended problems and to

simultaneously uncover the avenues for possible solutions. In this process of asking, aimed at defining the problem and the solution spaces, Suomela from Pentagon Design described that they utilise different means and tools: collaborative workshops with the client, strategy workshops, interviews, and observations. Outgoing from these techniques, the agency aims to solve the problem collaboratively with the client. The starting point in this process is creating a brief, which the client agrees upon. Outgoing from this brief, the agency can start working towards a solution. Hence, Suomela deemed it important to get the client committed right from the start of the project so that the brief can be utilised here to create a mutual understanding and to set shared objectives for the project.

Observing how Sherpa has utilised workshops in the problem framing, they seem to be an insightful way of framing the problem together with the client, increasing the commitment of both parties. Often, the clients get more involved in the process if they get to participate in the scoping for possible solutions and see the process behind conceiving them. Workshops are observed to be especially insightful when the client has little experience in working with design. Through these workshops, the problem can be framed and the solution space scoped in a multidisciplinary manner where both parties can contribute with their special competences, such as marketing and user insight. However, selling proposals with intense client collaboration and workshop formats and motivating the value of working in such a way to clients that are new to this way of working can be challenging as the investments in multidisciplinary workshops are rather high.

Another sales behaviour that designers tended to systematically take to is challenging the client briefs. Suomela from Pentagon Design described this as an internal exploration of whether the client has succeeded in identifying the actual problem. In cases where the agency identifies a need for shifting the framing of the problem, they sensitively aim to convince the client that an additional phase should be included in the project in order to re-frame the problem and to unfold the essence of what needs to be done. This was considered to require different kind of sales work:

“Somehow, we have to start unfolding it [the client’s brief] and tell how one thing affects another. For example, we might reckon that the problem can’t be solved by just changing the colours of the design. We need to evaluate and figure out these types of things in the tendering phase. Usually we can go through these aspects by having a conversation with the client.” (Suomela, Pentagon Design, 2018)

These kinds of processes are more typical in intangible and open-ended projects, where the focus is on setting strategic courses of actions and defining initial concepts. Here, the output usually is not as tangible as in the product design projects.

Sherpa also tended to challenge the client briefs when needed. Most commonly, the client briefs were challenged if they were not feasible from a design point of view or if the client recommendations seemed to be rising from the organisational conventions rather than actually catering to consumer needs. Designers at Sherpa tend to get rather invested in and committed to the projects and therefore they often want to challenge the client opinions if they genuinely consider it to lead to better outcomes. Tarkiainen also identified the importance of an external view on the client's situation:

"No matter how many people they have involved in preparing the brief, they are still living and breathing their own organisational culture and might not be able to look at it from the outside." (Tarkiainen, Sherpa, 2018)

Account director Niittymaa agrees with Tarkiainen and emphasises the importance of sharing the vision designers have developed over the years. However, he points out that the client should always get what they have ordered:

"I think it's important that the clients get what they have ordered but it doesn't change the fact that we can propose something extra or another approach. The experience our team possesses has created a vision of what works and what doesn't. It would be wrong not to tell these insights to the clients." (Niittymaa, Sherpa, 2018)

Across all the cases, the clients appreciated this act of design agencies challenging their briefs or assumptions. It was considered to demonstrate commitment to and interest in the project as well as to represent professionalism and intelligence from the agency. According to Suominen from Kiwa Inspecta, the fact that Einiö as a seller asked a lot of questions, even hard ones, was impressive and showed professionalism and intelligence. Hence, asking questions and also questioning the client was considered to add value to the sales interaction:

"You need to have the courage to question things. I appreciate it. I, as a client, don't always know what is good." (Suominen, Kiwa Inspecta, 2018)

Providing new insight and fresh angles by challenging the brief was considered one of the major benefits of working with external designers also by Peltonen at Stala, both in terms of feeding creativity and signalling competence:

"Posing the 'Why?' -questions is still the most important thing."

Hovikari and Tommila also appreciated the act of challenging and questioning in the similar way and considered it to be the main reason for working with external designers and why they deem their services valuable:

“Intelligent people always have a vision and opinions about things. That’s exactly what you want to pay for.” (Hovikari, Paulig, 2018)

“If the agency doesn’t challenge you, you get the feeling of wondering what you’re actually buying.” (Tommila, Paulig, 2018)

Challenging was seen central as it brings new ideas and approaches that the client might not have imagined or been able too brief, makes sure that the final executions are not too conventional and shows commitment bringing the agency and the client closer to each other. Hence, challenging can also help in building mutual trust as both parties are open in their communication. Finally, Tommila emphasises that questioning should not be done just for the sake of it but rather must be justified with insights and vision:

Sometimes we had bad ideas and you can tell us that. We need to be strongly questioned if you have a reason for that. When you question us, you need to have a visionary argumentation. Tarkiainen is a good example of this. (Tommila, Paulig, 2018)

Finally, agencies do also practice proactive selling, mostly when prospecting for new clients but also with existing ones. Einiö from Hellon describes that in these situations the client does not have a need or challenge in mind and has not specifically considered employing service design. Hence, the agency practises the act of stimulating a need and present their services as the key to solve the identified need:

“We might ask the client: ‘Have you ever thought of this type of an approach and what we could accomplish with it? You have customer experience and customer-centric development in your strategy but what kind of actions have you taken to live up to the strategy?’”

Niittymaa at Sherpa considered that proactively pushing for additional sales was not reasonable as he deemed that the client lead Hovikari had such a busy schedule that she might not be receptive for new ideas. However, working closely with Hovikari, I have observed that such proactive selling possibilities often arise naturally during the design process in situation where Sherpa can relieve this workload from the client. For example, in the initial package design project, Sherpa had been commissioned to design a package for a seasonal product and possibly plan a small-scale marketing campaign. However, as the project and the plan proceeded, both the agency and the

client identified a need for social media marketing materials. Even though the client has an internal social media team, the client ended up commissioning Sherpa as we could agilely produce high-quality material for the client, thus reliving the work from the client team. Later on, these materials were considered a considerable asset in social media marketing. Thus, proactive selling created value for both parties in this case and the proactive attitude of the agency was considered a plus when Paulig was considering updating the whole range of packages.

Both Peltonen from Stala and Suomela from Pentagon Design considered that it is challenging for a design agency to proactively stimulate needs or identify avenues for new product design projects. This was due to the client carrying out systematic market analysis and research and thus planning their product range accordingly. Creating new and innovative products, tackling user needs that have not been considered before, is in the core of Stala's product strategy. Therefore, it would be nearly impossible for an external actor to tell what Stala should do next. However, Peltonen considered that it would be interesting and inspiring to receive case studies from the agencies representing new cases and new knowhow.

As seen in this discussion, sales person behaviours are aimed towards identifying the client needs and problems in the first phases of the sales interaction as the agencies consider these framings to set the course for the rest of the project. In order to successfully frame the problem and hence form the brief, Einiö from Hellon considers the open exchange of information and trust between the client and the seller highly important:

"I believe in being open and honest, and asking for help. I just simply cannot help them if they don't tell me what they need." (Einiö, Hellon, 2018)

4.2.2.2. Required information to align on the framing of the problem

Similarly to the clients, the design agencies also deemed the open share of information crucial for the outcome of the project. Overall, the agencies considered that it is important to understand the client situation and business in order to first understand the problem framing and secondly to create satisfying solutions.

Einiö from Hellon considered asking questions as the key to grasping the client situation and thus framing the brief. By asking these questions, the Einiö aims to collect the following information: the scope and budget for the project, the client perceived

objectives and how these are measured, factors affecting the client's decision-making processes, the client's perception and understanding of service design, and the role of the service being purchased for the client's overall business. This information helps the seller in framing the problem and putting together the proposal for the possible solution.

First, identifying the budget helps to set the scope for the project:

"We have learnt to pre-frame the scope of the project already during the first meeting. We can really efficiently test and simulate different budget frames with the client. This helps us to reach the right solution earlier on." (Einiö, Hellon, 2018)

Secondly, it is crucial to identify what the client wishes to accomplish by utilising service design and how this relates to their overall business logic and strategy. Hellon has conceptualised their service offering under the following services: 1) *growing the competitive edge*, 2) *boosting performance*, or 3) *changing the organisational culture* (Hellon, 2018). Hence, already when framing the problem and constructing the brief, Hellon's service offering, i.e. the variety of possible solutions, is used as a frame to analyse and structure the client's needs.

Einiö from Hellon emphasised that it is also important to understand the role of service design in the scope of the client's business and what kind of business drivers there are behind initiating the project. By seeing this bigger picture, the service design project could be communicated to the client more convincingly in the scope of their overall business. Thus, it is important to consider how the outcomes of the projects are tracked already at the outset of the project:

"We try to phish out what the clients are planning to measure at the end of the project. It's often so that the clients actually measure different things than what they brief to us." (Einiö, Hellon, 2018)

By considering how the value created by the project will be assessed, it is easier for the seller to determine the right framing of the problem and therefore what kind of resources are needed to conceive a value-adding solution.

Suomela from Pentagon Design, considered information on more operational aspects to be important in order to craft value-adding solutions for the client. First, he emphasised considering the process-related information in order to be able to match their design processes to those of the client and to be able to support the client processes. This was demonstrated in the quotation offered by the agency that was divided by the product development process stages, helping the customer to allocate

the budget for different stages of the project and agilely proceeding step by step and making changes along the process. Secondly, Suomela considered it important to receive technical information on the product specific aspects such as different product specs, volumes, and production-related issues.

Sherpa was overall very happy with the information received from the client as the brief was comprehensive and clear representing the background for the design project, its concrete goals, and guidelines for what the client hopes to be done by the agency. Especially clearly stating the commercial objectives was considered important by Tarkiainen. Internal decision-making processes were not considered to be important by the design team as they placed more importance on receiving systematic and well-argued briefs that condense all the internal discussion the client has had in their organisation. Related to this, Tarkiainen would have hoped for a more open communication of the client opinions and considered that clients should not be afraid to tell if they do not like some proposals.

4.3. Alignment on the solution

This section introduces the sales interaction with regard to reaching alignment on the solution and considers what types of sales practices were undertaken (section 4.3.1.) and what kinds of criteria clients used for evaluating these solutions (section 4.3.2). The client's design literacy in an interplay with the complexity of the design service in question seemed to play a role especially for the sales practices design agencies choose to use across different clients. As the design service and its outcome increased in physical and mental intangibility, so did the levels of design literacy required from the client. Designing the sales materials and communication to match the client level of design competency and experience was considered important by all the agencies. Designers also showed a tendency to consider the internal decision-making processes of their clients and take this into account when planning the sales materials. This is done as the designers have realised that the client leads they are in contact with are often not making the decisions themselves. Therefore, the design solution needs to speak for itself internally in the client organisation when the client lead represents it further. Hence, the organisational position of the client lead was reflected upon when planning the sales materials. Further, in the case of service design, which was considered to have strategic impact in the client organisation, the agency showed a systematic tendency to consider the strategic importance of service design in the scope

of the client business in order to understand what kinds of expectations the client had for the project in terms of impact and business results.

Table 12: Summary of evaluation criteria, factors affecting them and sales practices found in empirical data

Criteria and factors affecting	Sales practices
<p>Criteria used for framing the problem</p> <p>Related to agency Reputation and image (PKG, SERV) Agency style (PKG, PROD) History (PKG, PROD) Reference cases (all) Commitment and interest (all) Mutual fit (all) Interpersonal chemistry (all) Personal liking (all) Seller's personality, competences and skills (SERV) Designers' competences and skills (PKG, PROD) Perceived risk (SERV, PROD) Knowledge and understanding of business (SERV, PKG) Commercial success of projects (PROD)</p> <p>Related to solution Possibility of customisation (all) Correspondency to brief (all) External proof sources (SERV) Creativity (PKG, PROD) Quality of work (PKG, PROD) Novelty and innovativeness of ideas (PKG, PROD) Intuition and personal liking (all) Pricing (all)</p> <p>Factors affecting the evaluation</p> <p>Complexity Physical and mental intangibility, knowledge-intensity</p> <p>Design literacy Ability to envision and evaluate solutions</p> <p>Level of design application Affects the position of the client lead, objectives set and expected outcomes and impact</p>	<p>Sales behaviours</p> <p>Asking (e.g. having a dialogue with the client) Telling (e.g. presenting and explaining the design solutions) Making (e.g. designing the solutions together, workshops) Showing (e.g. illustrating solutions through visualisations)</p> <p>Representation formats</p> <p>Presentations (PowerPoint, Keynote, InDesign, Word, pdf) • e.g. 3D renderings, product images, mood boards, mock-ups, textual proofs, technical drawings</p> <p>Workshops</p> <p>Prototypes and mock-ups</p>

PROD = product, PKG = package, SERV = service

Clients evaluated design services mainly in terms of the design solution per se and in terms of the mutual fit between them and the agency. As it is often rather challenging to evaluate the actual outcomes of the design service, the clients focused more on determining the mutual fit between them and the agency and whether the agency would have the right resources and competences to solve their problems. Hence, relational factors tended to be emphasised in the evaluation criteria. When assessing the design proposals per se, clients naturally tended to compare them with the given brief and thus consider whether the solution corresponded to the framing of the problem. Overall, the clients acknowledged subjective opinions and intuition to have an effect on how solutions are evaluated and chosen. Finally, the client evaluations

seemed to be dependent on the client's design literacy affecting their ability to assess different solutions and representation formats. The complexity of the design service played in on these evaluations, as an increased complexity in terms of physical and mental intangibility as well as knowledge-intensity required higher levels of design literacy from the client lead. The empirical findings with respect to the evaluation criteria and factors affecting them as well as the sales practises identified are summarised in Table 12.

4.3.1. Supplier-conceived solution

Design solutions were most commonly presented to clients in face-face meetings with supporting visual presentations demonstrating the proposal. These meetings were considered more important than the presentation documents per se as the meetings enabled the designers to explain the process behind the solution as well as reasons for making certain decisions. All the clients agreed that the face-to-face meetings play a crucial role in understanding and being able to evaluate the design proposals. Overall, designers tended to demonstrate different sales behaviours and adapt their proposals to the different sales situations based on the client's design literacy and internal decision-making processes. The identified sales behaviours and representations formats are introduced in the following. A special section is dedicated to discussing the effects of the organisational level of both design application and the client lead on the sales interaction.

4.3.1.1. Sales interaction and sales behaviours

Being able to present the design proposals face-to-face to the clients was considered crucial by all the agencies, especially in situations where the solutions were more complex and open-ended. Einiö from Hellon considered that what was told to the client and how the discussion evolved in the meeting were crucial for the sales interaction and its outcomes:

“The human-to-human interactions create something you can't replace.” (Einiö, Hellon, 2018)

The face-to-face meetings were considered important for having discussions with the clients and thus creating a mutual understanding of the design proposal. Having taken part and observed the sales interactions throughout the package design project between Sherpa and Paulig, I deem open communication with the client crucial for the

success of any project. Having an open and immediate relationship with the client helped in having productive discussions on the client perceived-problems and possible questions or on worries about the outcome. Hence, these discussions were both a way of increasing mutual understanding but also a way of managing customer-perceived risks. Tarkiainen emphasised the importance of open communication both to enable more effective co-designing of the solution and to avoid unnecessary misunderstandings and disagreements:

“I’m not afraid to tell to the client if something doesn’t look nice. And neither should be the client. They should tell us straight out if they don’t like something. It’s important to tell things straight out or otherwise they’ll end up smouldering beneath the surface.” (Tarkiainen, Sherpa, 2018)

“The client isn’t necessarily always able to articulate their needs so it’s way easier to squeeze this information out of them face-to-face. And to try out things and see how they work.” (Tarkiainen, Sherpa, 2018)

Hence, Tarkiainen deems that it is easier to create mutual understanding on the solution with the customer by discussing about different solutions and explaining why certain decisions have been made. The face-to-face discussions also give an opportunity to explain why certain client proposals might not be feasible and how the problem could be solved instead. Tommila from Paulig agreed and considered that open communication both from the client’s and agency’s direction can increase trust between the parties and deepen the relationship, thus also leading to more effective collaboration and better results:

“When people are not afraid to say things out loud, and this applies both to the agency and the client, trust is built. At best, this leads to developing the solution collaboratively on the spot.” (Tommila, Paulig, 2018)

Peltonen from Stala and Suominen from Kiwa Inspecta also considered open communication being important for carrying out successful projects with external designers and to collaboratively work on the solution:

“I can call Sauli [Suomela from Pentagon Design] and it’s like calling a friend. The chemistry between people is of utmost importance. The teamwork is not really going to work otherwise.” (Peltonen, Stala, 2018)

“We created the solution together. Our solution, i.e. Mini Ambassador, didn’t exist in practice. We developed the Mini Ambassador programme together.” (Suominen, Kiwa Inspecta, 2018)

Overall, Suominen was very pleased that he was able to take part in the co-creation of the solution through conversation with the seller. This same notion was shared by all

the clients and they appreciated if they could take part in the process. However, as Tommila from Paulig noted, agencies need to be given their space to think creatively as he as a client does not want the external designers just to replicate his own ideas.

Further, Suominen from Kiwa Inspecta considered the face-to-face interaction to increase the seller's ability to influence them as a client. According to him, it is much harder to turn down a person than a written offer:

"We didn't make the decision based on written materials. It was more based on what the seller brought up in the conversation." (Suominen, Kiwa Inspecta, 2018)

Interactive communication was considered to be especially important for integrating the ideas and interpretations of client representatives with different backgrounds as they might evaluate solutions in very different ways. Suomela from Pentagon Design described such situations to be sometimes challenging due to the clients not having any background or experience in working with design. For example, a client lead with a marketing background might evaluate the proposals on defective or wrong basis. They simply might understand the proposals in a different way or not understand what certain terms mean. Suomela considers that this is completely understandable as all the actors in the interaction have their own fields of expertise. These aspects just need to be taken into account in the sales interaction.

Overall, all the agencies considered that it is risky to merely send proposals to potential or existing clients per email without having any conversation with the clients. Interactive communication was seen as an antecedent of creating common meanings and aligning on the solutions. Hence, basing the sales communication merely on representations formats such as presentations was considered risky as the clients might not have the expertise and competences to consider and evaluate the proposals on relevant basis. Einiö from Hellon even considered that she seldom agrees to merely sending the proposal to the potential clients.

Clients deemed that face-to-face interaction with the designers was increasingly important when the design projects were more intangible or open-ended or when the members of the decision-making unit had different professional backgrounds and thus different levels of design literacy:

"It's absolutely important to be able to have a conversation. It's just not going to work otherwise. There's always that story behind explaining why certain things have been done in a certain way." (Peltonen, Stala, 2018)

“We have a multidisciplinary team and not everyone can read the visualisations in the same way as I can. They don’t necessarily understand that the visualisations are still on a conceptual level. But as they [Pentagon Design] always present these things to us, we can point out the things we didn’t understand and ask what certain things mean.” (Peltonen, Stala, 2018)

The designer’s shared this opinion and considered that the representations formats and sales behaviours vary across different cases. Suomela from Pentagon Design explained that whereas in product design cases it is rather simple to assure the client, the more open-ended, intangible and conceptual projects require more dialogue and collaboration. In other words, the value of intangible and strategy level solutions are harder to show and communicate to the clients in a convincing way as the solutions to these problems are more open-ended and there is no single best solution that can be argued for. At best, the agency can give possible scenarios of the future but as the solutions are so closely integrated to the strategy of the client, the client needs to be an active co-producer of the solution.

“Sending a report or drawing out a couple of scenarios is just simply not enough. You need to have the change to explain the possible solutions to the client and discuss about them.” (Suomela, Pentagon Design, 2018)

These more collaborative ways of working and making the solutions together also take different forms based on the client’s design literacy. In Stala’s case, the client’s educational background in design was very much appreciated by the agency. It made the communication and collaboration easier and smoother and even enabled collaboration on the product design and ideation:

“We absolutely benefit from the fact that he [the client] has a background in design. We can even develop and ideate things on technical and material level.” (Suomela, Pentagon Design, 2018)

Whereas Suomela considered the sales interactions with Stala to naturally transform into a product development meeting where all the parties ideated on the solution, the more inexperienced clients need more support in this ideation. In such situations, the sales communication is facilitated with different systematic workshop methods to guide the clients in the creative problem-solving activity aimed at finding concepts for new solutions.

Suomela from Pentagon Design considered that it was important that Stala had such a structured process and that their decisions were based on research and external reviews, rather than gut feelings or personal opinions. These are seen as good basis for decision-making:

“In this way, the client doesn’t base their decisions only on how they feel about it [the solution] or how they vision their own business but they rather reflect it [the decision] also externally. This gives good guidelines for decision-making.” (Suomela, Pentagon Design, 2018)

Hence, the logical and consequent decision-making processes of the client were seen to make the entire design process much easier as the framing of the problem, i.e. what the client wants to receive from the agency, is clear and can be used to guide the design process. This made it also easier to deem what resources, skills and competences are needed to cater to the client’s needs. Suomela adds that in some cases with other clients, it can be frustrating if the client decisions are completely arbitrary. These problems are deemed to arise most commonly from the fact that the decision-makers are not committed to the project on an operational level and fail to assess the solution on the relevant aspects. Therefore, also the motives for decision-making are seen illogical. Hence, the logical coherence of the situation is seen more important than the actual decision-making process and criteria. If the decisions are based on facts, it also guides the work of the agency to be systematic.

Finally, Hellon was the only one of the agencies that explicitly tended to manage the client’s expectations of the outcome of the service already during the sales interaction. Einiö deemed this necessary as she had had to modify the initial offering quite extensively as the budget was cut into a fifth of the original quotation. In such cases where the budget is notably cut, Einiö emphasised the role of expectations management in the sales communication as there is a risk that the client’s expectations remain high even though the budget has been cut:

“I did emphasise that this is a taster for you when entering this road [of service design]. We need to understand that we naturally aren’t accomplishing the same learning outcomes as we don’t get to practise and so on.” (Einiö, Hellon, 2018)

To conclude, agencies shifted their sales behaviours quite naturally across different situations based on the complexity of the design service offered and the clients design literacy. Across all the cases, interactive and two-way communication was considered important to enable the creation of mutual understanding. With complex offering and sales situations involving decision-makers with multidisciplinary backgrounds, face-to-face interactions were considered increasingly important. A wide range of sales behaviours could be identified, combining acts of telling, asking, showing, and making in order to reach alignment on the supplier-conceived solution, that predominantly was catered to the client-specific needs.

4.3.1.2. *Representation formats used in sales interactions*

Different types of presentations were the most commonly used representation format applied to support the sales communication. Presentations were normally made using Word, PowerPoint, Keynote or Adobe InDesign and had different amounts of visual or textual content. In the product design and package design cases, also prototypes and mock-ups were used. Whereas Sherpa's first package design proposal was a highly visual presentation containing 3D renderings and mock-up pictures of the packages in the store environment, Pentagon Design's first proposal was a text file describing the key stages of the project as well as their contents and price estimates. Peltonen from Stala told that they had explicitly agreed with Pentagon Design not to put too much time and effort in the presentations as Stala was working on a tight budget. Einiö from Hellon considered that they invest quite a lot of time in making the presentations but unfortunately, I did not have the opportunity to analyse the actual presentation Hellon had presented to Kiwa Inspecta.

All of the proposals seemed to follow a pre-defined structure and agency graphics but their contents were customised to the client situation, i.e. the solutions were client-specific. Pentagon Design and Hellon had clearly structured their process and offerings, which was clearly visible in the proposals. Pentagon Design structured the quotation outgoing from a *Define – Design – Deliver* -structure resembling the double-diamond approach (Design Council, 2018), whereas Hellon applied the *Challenge – Objective – Outcome* -definition. Further, Hellon utilised their pre-defined service offering of *growing the competitive edge*, *boosting performance*, or *changing the organisational culture* in framing the client problem and the space for the solution. In Kiwa Inspecta's case Hellon applied a pre-defined and productised service offering with a somewhat given structure, content and price, i.e. the Ambassador programme, to make the service more tangible. However, the standard Ambassador programme had to be modified and tailored to match the client's scope and budget for the project.

Overall, all the agencies considered that when making the presentation materials, it is important to consider the client's internal decision-making processes and the client's design literacy in terms of their capacity to evaluate the proposals and different representation formats. Hence, it is important to understand different factors affecting the client's decision-making and who in the client's organisation are in the position of making decisions. The more is known about the decision-makers and the decision-

making processes, the easier it becomes to create appropriate solutions and communicate them to the clients.

The effect of client's design literacy on the representation formats

All the agencies deemed it important to consider the design literacy of the client lead when planning the sales presentations. According to Einiö, the sales interaction and its outcomes are highly dependent on the client's design maturity and knowledge in the topic. Einiö deems that it is important to diagnose the level of the client's understanding early on in the sales process as it affects the entire sales interaction. First, this reckoning is used to determine what kind of projects it pays off to sell to different clients with different levels of understanding. Secondly, it guides the way in which the solutions are best communicated to the client. As the sales interaction and its outcomes are highly dependent on the client's knowledge and understanding, Hellon has also aimed to teach their clients on how to buy service design and published a guide on the topic (Hellon, n.d.).

According to the agencies, it is rather easy to determine the level of design literacy of the client and thus align the communication and materials accordingly:

"We usually see already in the first meeting what the client's level of understanding is. Outgoing from this, we know how to unravel the story. The aim is to get the person buying from us to understand." (Einiö, Hellon, 2018)

The less the client has experience and background in purchasing design services, the more attention has to be paid to the sales communication and materials. In such cases more background materials and argumentations are needed to present and explain the design solutions. Hellon tends to use storification to make the proposals easier to understand:

"We aim at putting together a linear story combining the challenge, objective and outcome as well as the role we've defined for service design in the project. The aim is to build a coherent whole, with a beginning and an end." (Einiö, Hellon, 2018)

This story is presented to the clients in the form of an *approach proposal* that includes the following: *Challenge – Objective – Outcome* -definition, the proposed solution and what it means in practise, investment by the client, timetables, CVs of the team and references of similar cases. The proposals are usually made with Keynote and sent to client in the form of a pdf file. Einiö considered that their proposals have a quite

traditional composition but emphasised that they are put together in a very intelligent way, thus taking a lot of time and effort from the agency:

“We aim to make presentations that are ‘service designed’ so that they are easy to understand.” (Einiö, Hellon, 2018)

Sherpa’s proposal was very visual but included also textual data to argue for the design decisions made. Often, Sherpa is very ambitious about the visuals of their presentation and present rather finalised versions of the design proposals. This might be due to the long tradition of pitching culture in the field of advertising, according to which the agencies are expected to present turnkey solutions to their clients. Further, graphic design is one of the key competences of advertising agencies and therefore agencies might want to signal this industry-specific professionalism through visually appealing and convincing presentations. Similarly to Hellon’s logic, the argumentation in the presentation was structured as a narrative gradually introducing the solutions by first introducing the creative insights guiding the design work and only after that moving on to the actual package design proposals. In this way, a common ground for evaluating the proposals could be achieved.

Suomela from Pentagon Design considered that the proposals need to be structured in a step-by-step manner, outlining the most important stages of the design process, especially in the tendering phase:

“Basically, we have to solve how the project will proceed and be as unambiguous as possible about the content of the proposal already in the beginning of the tendering process.” (Suominen, Pentagon Design, 2018)

Hence, already in the tendering phase, the agency needs to have a plan for the execution and process of the entire project. Analysing Pentagon Design’s project plan and quotation given to Stala, the project was divided into three main stages of *Define*, *Design* and *Deliver*, an approach used by Pentagon Design to structure both their design work and their proposals. Under each of the stages, Suomela had described the more specific content of the stage and the price estimate. Dividing the proposal into the key stages was considered convenient by the client Peltonen as it enabled him to consider the proposal step-by-step and determine during the process which parts of the project would be executed by Pentagon Design and which parts of the project they could execute internally.

Paulig also wished for a similar price estimate for the package design project. Hence, the quotation that was given to the client at the same time with the first design proposal was divided into a concept development phase and a package design phase. The difference between Sherpa's and Pentagon Design's cases was that Pentagon Design could convince the client to buy the design service merely based on the written proposal and quotation, whereas Sherpa designed nearly finished designs already during the initial phase. However, Paulig stated later that they can make purchase decision largely based on project plans and quotations and hence Sherpa could have first presented a de-brief and quotation to close the deal before moving into the actual design phase.

Even though in Stala's case Pentagon Design's proposal was textual, Pentagon Design's sales presentations are often made with PowerPoint but in some cases further visual persuasion might be needed. In their design proposals, Pentagon Design often utilises different materials, such as user interview reports or thematic visualisations of the usage situations, in order to explain how they conceive different approaches for the possible solutions. The more concrete the project gets, the more detailed representation formats are used, e.g. from different drawings with material and production specifications to 3D files. In addition to visualisations, Suomela considers that it is crucial that the presentations include enough textual information explaining the process and decisions behind the solution, especially when the agency does not have the opportunity to present the proposals face-to-face. This might be the case when the presentation is used internally in an organisation to present to solution further to other stakeholders. In such cases, it is better to over-explain than take the risk that the client lead presenting the case further has not understood the proposal, leading to misunderstandings in the client organisation.

Suomela emphasised that they do not want to present only the solutions per se but also the processes and decisions behind the final solutions. By doing so, also other stakeholders that might not have been actively participating in the project from the beginning can understand why certain design decisions have been made and what have been the drivers behind these solutions. Suomela deems that it is dangerous just to send around pictures and visualisations because in such cases the discussions tend to revolve around gut feelings and personal opinions on what clients happen to like and what not. Hence, it is extremely important to back up the proposals with facts and systematically argue for the choices made during the design process. Tarkiainen from

Sherpa shares this opinion and emphasises the importance of systematically arguing for the design decisions made.

Peltonen at Stala also considered that he as a client should take a role of a design manager and go through the presentations with the rest of team and help them understand how designers have resonated around certain solutions and decisions. Peltonen considered that in their case, it was not problematic to interpret entirely visual materials as he has the education, competence and vision to understand how the visual proposals should be considered. However, he reckons that designers could pay more attention to explaining their choices and reasoning behind certain solutions also in a written format in the presentations. For example, Peltonen knows that Pentagon Design has done user research and considered the usability of the product and therefore the reasoning based on the research would have been beneficial to demonstrate also in the sales materials presenting the solution. This was considered especially important and insightful in situations where the decision-making unit consisted of members with different backgrounds and levels of design expertise.

Sherpa had unravelled this logical reasoning in the presentation. The presentation started out with stating the creative insights that has guided the design work of the different package design proposals. These creative insights were formed combining research data, preconditions and objectives from the client brief, and the agency understanding of the target group. The client considered the presentation of the creative insights behind the design work to be an insightful way of supporting the reasoning of the agency and helping them to understand why certain decisions had been made. Further, the different designs in Sherpa's proposal were divided into three approaches with their own special characteristics. Decisions and reasoning behind each of these approaches were further explained to the client. Overall, the structure and content of Sherpa's presentation was considered to be systematic and easy to follow by the client. The structure of first checking that the agency had correctly understood the starting point, then moving on to proposals, and finally concluding the suggestions, was considered simple and clear by Tommila:

"It's a systematic way of thinking that's simultaneously visual enough and therefore creative." (Tommila, Paulig, 2018)

After the initial presentation, the development of the packages was continued on a more daily basis and the communication was carried out by email. Nevertheless,

throughout the process, the art director of the project wrote rather long descriptions and explanations to the client on how the designs should be interpreted, what changes had been made, and why certain aspects of the client comments were challenged. The client lead Hovikari at Paulig, who did not have a design background and often needed help in envisioning different solutions, deemed this extremely helpful in order to understand different proposals and evaluate them:

"You always communicated to us which would be the best alternative. In a way, this communication also included your deliberate consideration about what you have done and why this solution would be the best one." (Hovikari, Paulig, 2018)

In the package design case between Sherpa and Paulig, the visualisations played a crucial role in the representations of the possible solutions as the package design project was about a visual update of the current package. Hence, the project was highly visual and both the client and the agency deemed that the evaluation of the proposals inevitably was at least partially based on personal opinions of the design. However, as pointed out by account manager Niittymaa, designers have a considerable competency to evaluate such solutions outgoing from their experience. Niittymaa considered that it is challenging to set concrete KPIs to determine the success of the package and hence to objectively argue which of the design proposals would best work to for set target group. Naturally, the design proposals can and should be reflected with the client brief and outgoing from the expertise of the designers, designed to reflects these needs. Here, the client's ability to objectively evaluate the proposals, i.e. their ability to evaluate the proposals with the eyes of the target group simultaneously reflecting the proposals with objectives set, naturally played a crucial role. Hovikari experienced the interpretation and evaluation of the visualisations to be quite challenging as she considered herself to think rather concretely. In this situation, Tommila's extensive experience working with consumer brands, vision and creativity was considered beneficial as he could take the role of a design manager in his own organisation and help his colleagues to evaluate the proposals, articulate their needs, and set the direction for the visuality:

"I think I bring new ideas and give some consistency to decision-making. And also senior support and self-confidence for the brand managers." (Tommila, Paulig, 2018)

"In this phase Teemu's [Tommila] knowhow was crucial as he knew how to assess the proposals in a creative way and combine elements that we could proceed with." (Hovikari, Paulig, 2018)

Due to the project being highly visual and in order to be able to evaluate the solutions as early on as possible, the client asked Sherpa to present both visualisations of the actual package and mock-up pictures of the packages in the store environment. This was considered helpful for a more concrete evaluation of the actual outcome:

“I think it’s good to evaluate a design that is as close to finished as possible. It’s so easy to present the proposals in the form of package. In the end, it’s the easiest way to evaluate it. Of course, it’s good to have mood boards and what not to show the visual concept but if you don’t see the design on the product, it’s impossible to understand its feasibility.” (Nordblad, Paulig, 2018)

Further, both Nordblad and Tommila considered it important to see a few different approaches and thus Sherpa was asked to present three to four different iterations ranging from a traditional design to somewhat wilder ones. Hovikari considered these iterations to be tools for them to be utilised in determining what the final solution should look like. Finally, Tommila emphasised the role of visualisations in inspiring people involved in the project.

Even though different visualisations were used across all the cases to create common points of reference to enable discussion, illustrating how the solution links to the client’s problem, and helping the clients to envision the possible solutions, Peltonen from Stala pointed out that clients with different backgrounds may interpret visualisations very differently. A common problem he often stumbles upon is his colleagues lacking the ability to envision how the initial visualisations of products may only represent the product concept and ideas and thus can still be further developed:

“It would be interesting to know how my non-designer colleagues perceive their [Pentagon Design’s] presentations. It can be that they see them very differently as the presentations only include pictures. I’m a creative person and I can look beyond the pictures and envision the different outcomes.” (Peltonen, Stala, 2018)

This same challenge was reflected in Paulig’s case, where Tommila considered himself to facilitate communication between the agency and his colleagues. Overall, we have stumbled upon similar situations at Sherpa due to designers and the clients thinking very differently about visualisations. Designers tend to work on a more conceptual level, whereas the client may assume that the visualisations present the final outcome. This took place also in the package design project, where mood boards were utilised to create alignment on the possible avenues for solutions. The client had wished for to be engaged in the design process right from the beginning and in order to do this, Sherpa made three alternative mood boards for three different visual concepts. However, as

the process was about a subtle redesign of the visual identity of the package, the mood boards resulted being rather similar from the client's perspective, even though the designers could name three distinct visual directions behind the moods. Hence, the client lead Hovikari did not know how to interpret the mood boards:

"This is the exact difficulty with people like me who need to see things concretely. The challenge is seeing the different possibilities the mood board represents so that you can think of it as a concept and not just simply stare at single pictures."
(Hovikari, Paulig, 2018)

Hence, Hovikari called me, the seller in the case, to specify the reasoning behind each mood board. Through this discussion where the client was able to ask questions, the client and me as a seller could reach common understanding and proceed the design process based on the client feedback on the mood boards.

In order to avoid such situations, Peltonen from Stala emphasises the importance of unravelling the process behind the design solutions and either through written or spoken communication to explain what the visual representations mean and how they should be interpreted as was done by Sherpa when they motivated the design choices throughout the project. Additionally, having someone with creative vision and design competence, thus taking on the role of a design manager and facilitating internal communication in the client organisation, was considered important both by Peltonen at Stala and Tommila at Paulig.

To conclude, all the agencies utilised different means to make their proposals easier to evaluate for their customers outgoing from the customer's capacity to deal with design. The aim with these means was to make the evaluations less open-ended by unravelling the process step-by-step or by backing up the proposals with textual motivations making the evaluations less subjective. Important here was to support the client in making the decisions both by spoken and written explanations on how to interpreted the design proposals. The importance of these supporting argumentations increased in situations with more intangible and open-ended solutions. Finally, also the client lead as a design manager in his own organisation played a role for creating mutual understanding.

4.3.1.3. Clients' decision-making processes and design maturity

All the agencies considered that it is quite commonplace that the client contact person cannot alone make the decision on the design purchase and hence needs to present

the proposal further in his or her organisation. Due to this, the agencies considered it crucial to consider different factors that affect the client's decision-making and who in the client's organisation are taking part in making decisions. The more is known about the decision-makers and the decision-making processes, the easier it becomes to create an appropriate solution and communicate it to the client. Hence, when needed, the agencies tended to adapt their proposals to the internal processes of the clients.

All the agencies deemed that the clients often have a need to use parts of the agency's presentation in their own internal materials and business cases aimed at selling the design solutions further in the organisation, and sometimes they need help in making these materials. In these situations, Einiö sees it as a crucial task to help the client reach his or her goals in the organisation. Suomela from Pentagon Design shares this notion:

"Our role is definitely to make material that supports their decision-making. In a way, we bring the understanding of the consumer, visuals, materials and technical production-related issues even though the client might have a strong vision on these things." (Suomela, Pentagon Design, 2018)

Niittymaa at Sherpa also considers it important to support the client's value creation processes by the materials Sherpa makes as a part of the sales interaction:

"Our job is to help the client reach the best solution." (Niittymaa, Sherpa, 2018)

Often this means supporting the internal decision-making processes if the client as the client lead Hovikari needs to get an approval for all the plans from her superiors and the final design solutions need to be approved by marketing director and CEO of the company. Hovikari openly communicated this to Sherpa, and therefore the agency and Hovikari could collaborate on making the needed presentation materials for internal meetings. Especially having the argumentations behind each design decision and solutions helped Hovikari in presenting the design proposals further in her own organisation:

"In these situations, it helps a lot to have a story and this is why I always as why things have been done in a certain way. It helps me to write the story for myself and the tell this story further. In other words, then I'll have the reasoning for why we've made certain decisions." (Hovikari, Paulig, 2018)

Einiö from Hellon agrees on this as she considered that the best buy-in in the client organisation can be achieved by collaborating on building the sales materials for the

use of the client representative to sell the idea of the design service in his or her own organisation:

“The winner in the [client] organisation is the one who tells us what kind of stakeholders might turn out to be bottlenecks for carrying out the project. He might not be able to handle the stakeholder alone and even if he could, he needs to have the right type of materials and we can help in analysing what these materials could be.” (Einiö, Hellon, 2018)

The client Suominen from Kiwa Inspecta however disagreed and deemed that internal promotion for the design proposals is important in ascertaining the support from top management. Whereas the Hellon would preferably be directly in contact with the top management, the client prefers first internally discussing with the management in order to make them more amenable for the design agency’s suggestions.

The agencies clearly showed a preference for working with design on top management and strategic level as they considered design to have the most beneficial impact when the top management is also engaged in the project. Einiö from Hellon deemed that service design should be on the agenda of the top management and therefore would prefer to engage top management into the discussion. Hellon aims to develop strategic partnerships with their clients rather than sell sporadic projects, and therefore wishes to continue the collaboration with Kiwa Inspecta. Overall, Hellon works on advancing the role of service design on the business agenda and according to Einiö, service design should always be integrated to the strategy and business objectives of the organisation and therefore the top managers are the best purchasers of service design. By gaining partnerships and affecting the overall business on the strategic level, service design can make a greater impact in the organisation. Thus, Hellon aims to frame problems that are integrated to the client’s strategy.

Einiö deemed that this has already somewhat happened in the field of service design as clients seem to appreciate service design expertise and are therefore willing to commit to the collaboration and openly share information. In the quote below, Einiö reflects on service design projects in comparison to graphic design services that she used to sell before:

“The clients appreciate service design knowhow significantly more. They are intrinsically tuned in to the partnering mind-set. They want to help us and collaborate so that we can build something great together.” (Einiö, Hellon, 2018)

The often-strategic role of service design creates both opportunities and threats for the sales task. Whereas the strategic role increases the stakes of the client company, leading to higher levels of commitment and openness to share information, the high risk of completely outsourcing such strategic projects may limit the scope of the brief given to the agency. On the other hand, gaining the role of a trusted partner is seen to lead to more profitable client accounts and cases with more substantial impact across the organisation. Hence, providers of service design need to be able to work closely with their clients and adapt their solutions to the needs of the clients.

Niittymaa from Sherpa would have preferred to work with Paulig on a strategic level but as both the package design project and the primary client lead were on a rather operational level, he deemed this to be impossible at the moment. Nordblad from Paulig considers that they often prefer keeping the strategic concept development for themselves and illustrates the typical collaboration with external design agencies with the following quote:

“We’ve often already conceptualised the core essence of the product but the clothes to the product are given by the design agency.” (Nordblad, Paulig, 2018)

Tommila reflects upon the role of design agencies for their business and how this role has developed over the past few years:

“We want to keep the initial conceptual development for ourselves as we want to foster our own knowledge capital. Before we used to outsource everything. We want to continuously learn something new and use the best possible actors to both produce things for us and teach us something new.” (Tommila, Paulig, 2018)

Suomela from Pentagon Design reflected on the importance of the vertical integration in the client organisation. As Stala is a rather small family-run business, the project team is rather small and agile and all the key stakeholders are present in the most important meetings during the design project. Hence, Suomela deemed that the success of the collaboration and the overall project with Stala depended on the commitment from the organisation to the project and the decision made:

“When we have everyone, including the CEO, committed to the project from the beginning to the end and the decisions we have made in the different stages of the project, we can avoid the situations that may occur with larger organisations where the head of R&D takes things quite far with the engineers and where it is only after that exposed to the decisions of the executives who just state that they don’t like it.”

Consequently, all the agencies considered it important to be in contact with the people that actually have the decision-making power so that they are able to cast light on the process behind the solution and explain what design-related aspects should be paid attention to when evaluating the solutions. Overall, design was considered to have more substantial impact in the organisation when applied on a strategic level and the possible impacts of design projects were seen to be linked to the organisational level of design application.

4.3.2. Customer-perceived solution

Clients evaluated design services mainly in terms of the design solution per se and in terms of the mutual fit with the agency. However, as design services tend to be first sold and then produced, the evaluation of the actual solution is often not possible during the initial sales interaction. In the product design case, the client did not need much convincing as they had worked on a similar project with the agency before and hence he knew that Pentagon would be able to deliver the desired solution. In the package design case, Sherpa decreased the intangibility of the assessment by presenting the design solutions in the concrete form of visualisations of each proposed design. Finally, in the service design case, Hellon aimed to make the evaluation of the solutions to be more tangible by utilising a pre-defined and productised service offering, i.e. the Ambassador programme.

Despite the utilisation of different representation formats and sales behaviours, the clients considered it rather challenging to evaluate the actual outcome of the design services, and consequently tended to focus on evaluating the mutual fit between them and the agency. Hence, relational factors tended to be emphasised in the evaluation criteria. The design solutions per se were predominantly evaluated outgoing from the criteria set in the brief when framing the problem. Overall, all the clients acknowledged that their decisions were not based on merely systematic or objective evaluations as personal opinions and intuition were considered to play in on the purchase decisions. In the following, the criteria used for evaluating design purchases either with respect to the design solution per se or the fit of the agency, are introduced, while simultaneously considering the factors affecting these evaluations.

4.3.2.1. Criteria for evaluating the design agency

As the clients tended to consider the evaluation of the actual design solutions rather challenging at the outset of the project, they focused more on determining whether the agency would have the right resources, competences, vision, and people to solve the problem and how it would be to work with them in terms of matching processes, cultures and interpersonal chemistry. In these evaluations, the previous projects with the agencies, reference cases, personal relationships, and the agency reputation were considered. Often the right people with the right vision and competences were considered the hardest resources of an agency to replace:

"We'll the people, I can't get the same people from other agencies." (Peltonen, Stala, 2018)

The aspects of interpersonal communication and chemistry were mentioned by all the clients as an important factor when choosing an agency to work with. Especially Peltonen from Stala and Tommila from Paulig emphasised the importance of interpersonal chemistry and personal relationship with people. Having a close and open relationship with their agencies was considered as an antecedent of creativity and successful outcomes. Especially, Peltonen emphasised the aspects of trust, open communication and interpersonal chemistry, as they tended to work with the agency closely as a creative team:

"The only way to produce creative solutions is by having matching chemistries. Then you're not afraid of presenting stupid ideas that the other person shoots down and develops them into something else." (Peltonen, Stala, 2018)

Hence, by knowing that the interpersonal chemistry of the parties will work, clients were confident that they could work towards the desirable outcome with the chosen agency. Having contact people at the agency that the client can trust, was seen to increase the effectiveness of the relationship:

"I like having a person I can trust in the agency. A person I can call and know that things will proceed and get done. That way of working is really nice." (Tommila, Paulig, 2018)

Hence, having this interpersonal connection with the agency was considered even more important than the solution itself. Finding the right partners, was seen as a key to success and hence both Paulig and Stala tended to work with a pool of trusted partners:

“We pretty much stay with the partners we’ve identified earlier. When working with a partner, we know that we’ll find the right solution even though the first proposal might not have been a success.” (Hovikari, Paulig, 2018)

“It increases the risks when working with a new agency. That’s why we’ve aimed to keep the pool of agencies rather small so that we can carry out several projects with the same actors so that the process develops and we get to know each other.” (Peltonen, Stala, 2018)

Hence, clients tended also to evaluate the mutual fit on an operational level between them and the agency, in terms of how the agency works, what kinds of methods and processes they have, and how they keep in contact with the clients. For these evaluations, the clients naturally considered the working history with the agency.

Relating to the evaluation of the relationship and interpersonal communication, Tommila from Paulig acknowledges that subjective factors such as personal liking and intuition often dominate the evaluations. Paulig has utilised different kinds of Excel and scoring tools to assess different actors but Tommila considers that the final decision is still based on the interpersonal factors:

“We’re buying intangible things and then it’s always in the end a question of interpretations and understanding. No matter how much you try to put these things into Excel or on paper, they’re always affected by feelings and people affecting the interpretations of each other. We’ve used Excel sheets and scorings but usually the agency that we really want to work with wins.” (Tommila, Paulig, 2018)

Further, the overall fit of the agency to solve the problem at hand was evaluated based on the track record of the agency, its style, its reputation and image, and reference cases.

“For me it had a huge effect what the agency had formerly achieved.” (Tommila, Paulig, 2018)

Especially in Sherpa’s case, the previous work with Paulig and history had a central influence when choosing the agency to work with. First, Tommila has a longer history of working with Sherpa due to personal relationships and therefore his reckoning that Sherpa would be the right agency did weigh in on the decision. Secondly, the client had been happy with Sherpa’s work in other cases and therefore deemed that they would be the right partner for the package design project. Central in the decision was the success of the preceding package design project where Sherpa had designed a seasonal package for the same brand:

“It was easy to choose Sherpa as the partner as we had been ludicrously satisfied with the pervious project.” (Hovikari, Paulig, 2018)

Suominen from Kiwa Inspecta Finding the right service provider was not deemed easy as the field of service design is still quite new and the top of mind list of service providers was rather short. In the selection of the agency, Suominen emphasised the background, history and reputation of the agency. Hellon was chosen as they have a pure background in service design as Suominen deemed that having roots in advertising or digital design might skew the proposed solution. Hellon on the other hand was considered to be very human-centric, as also stated in their slogan “Human-to-human business”, and to be able to cater their solution to fit the client’s situation and needs. Suominen stated that the number one reason for selecting Hellon and their proposal was the fact that they could tailor the solution, i.e. the training programme, to Kiwa Inspecta’s needs and processes and that they were able to adapt the price to fit the given budget.

In Sherpa’s and Paulig’s case the distinctive style of the agency and its reputation and image played a role for the selection. Sherpa was considered to have the right attitude, style, and approach for the younger target group and a special way of seeing things, as stated in a quote by Tommila earlier in this section. Hence, the client deemed that Sherpa has the right competences and resources to create the desirable solution:

“The good reputation affected the most. We wanted to reach the young target group in an interesting way and break conventions.” (Tommila, Paulig, 2018)

Further, Sherpa has always had a reputation of being a doer and maker, which links to the agency history of both planning concepts and producing them into the final outcomes as well as the original vision of the founders to take a different approach to advertising. Hence, Sherpa’s employees are often multidisciplinary and thus able to execute the plans and ideas into concrete outcomes and solutions. The original vision of the founders, nowadays stated in Sherpa’s slogan *“From words to actions”*, was also recognised by the client and considered as one of the agency’s key assets:

“The added value an agency can create comes from the knowhow of each team member and the act of making. Your project management has been praised for not only keeping us on track but also providing insightful opinions on your proposals. That’s hard to replace.” (Tommila, Paulig, 2018)

“You’re makers and that’s exactly what we want you to be. You should hold on to this and not turn into being like some other bigger agencies.” (Hovikari, Paulig, 2018)

Additionally, to consider the fit between the client and the agency, reference cases were analysed. Suominen from Kiwa Inspecta deems that the seller’s ability to present

cases that show how the agency has been able to create added value with budgets similar to that of the client was considered crucial. Secondly, the reference cases were assessed based on how well the selection of the specific cases reflect understanding of the client's business:

“As we're a consultancy service company and if you present a product innovation case to us, I get the feeling that you haven't quite understood what we are doing.”

Whereas the history and track record of the agency was most commonly considered in terms of the previous cases and their creativity, quality and fit, Peltonen from Stala reflected upon the agency's ability to showcase reference cases with outstanding commercial outcomes. Peltonen deemed that designers are often more interested in showing the design awards they have won and presenting thus focusing on the innovative, creativeness, or novelty of the designs. However, Peltonen states that he would be more interested in hearing the commercial results of design projects as they the commercial success of a product is often one of the key objectives set for such projects. The commercial outcomes are seen the reflect whether people really want to buy and use the product. Hence, Peltonen deems that presenting cases with their commercial outcomes could provide a convincing sales tool for design agencies both reflecting an understanding of what actually works in the customer interface and interest to track the commercial outcomes of design projects. According to Peltonen, agencies quite seldom present the commercial results of a project as they have noticed that clients do not want to disclose such information. However, Peltonen deemed that these results could be asked for much more actively. Overall, he considered that feedback meetings going through the outcomes of the projects would be beneficial to create continuity to the working relationship and to enable learning.

Finding an agency that is genuinely interested in and committed to the project was deemed important. When searching for potential service providers, Suominen considered it highly important to find partners that consider Kiwa Inspecta and their case to be meaningful and interesting. This was assessed based on the size of the company. Large companies were considered risky as they might not be that invested into such small and insignificant projects, leading to inferior customer service. Smaller companies on the other hand were deemed risky as they might not have the resources to deliver the service. Both Hovikari from Paulig and Peltonen from Stala described that before initiating projects, they tend to call to the agency and discuss whether the

agency is interested in the project and deems to have the right competences for the project.

Finally, the background and education as well as the communication skills and personality of the seller were deemed to affect the purchase decision, especially in the service design case where the client had not formerly worked with the agency. Suominen considers Einiö's personality and communication to be impressive and convincing. Asking tough questions and questioning certain aspects already defined by the client, was seen to add value to the sales interaction. Further, the personality and communication skills were deemed important also as the sales person represents the whole selling organisation in the sales interaction. The seller having background both in business and design was seen to increase the potential to influence and assure different kinds of stakeholders in the client organisation. Suominen concludes the discussion on the importance of sales person's profile:

“People that are able to have such conversations [with different stakeholders] and understand what kind of challenges clients face, should be selected to work with sales. You need to be able to question the client outgoing from your own expertise.”

4.3.2.2. Criteria for evaluating the design solution

When assessing the design proposals per se, clients naturally tended to compare them with the given brief and thus consider whether the solution corresponded to the framing of the problem. The ability to assess the solutions was therefore closely linked to the client's ability to frame the problem and desired outcomes in the brief that in turn was affected both by the complexity of the service and the design literacy of the client. The product design case seemed to involve the most objective assessment based on material and production specification and certain usability features that were defined in the briefing phase. The challenges of assessing the package design project related to the subjective nature of assessing different visual solutions and the client acknowledges the assessment to always be at least partially subjective despite the objectives and frames set in the brief. Finally, the service design project had no actual brief and the service itself was likewise rather open-ended and dealt with change in the long-term and in the scope on the entire organisation. Hence, also the assessment of the actual service provided was challenging, especially before initiating the project.

First and foremost, the clients tended to compare the solution with the specifications set in the brief and whether the solution caters to the needs and objectives defined in the brief. The specifications of the brief were also used to determine how well the agency and their solution did with respect to different aspects of the desired solution. Hence, the brief was utilised to determine the right resources and competences needed to solve the problem and produced the solution. The quality of the design work was considered in terms of how on spot it answered to the brief. However, matching the solution to the brief was seen more as a necessary but not sufficient condition of desirable solutions. Both Tommila from Paulig and Peltonen from Stala, the two client respondents with the highest levels of design literacy, considered that the solutions needs to go beyond the expectations set in the brief, challenge it, and therefore present fresh and new approaches to solve the client problem.

Hence, the creativity, novelty, and innovativeness of ideas was considered as crucial criteria for assessing the solutions. These were considered mostly in the agency's ability and willingness to challenge the client brief in an insightful way and therefore producing new angles both the problems defined and possible solutions to the problems:

"There's agencies that just bring up problems and some kinds of outcomes to those. And then there's agencies that can see beyond the problems and make new things. Sherpa is a good example of the latter." (Tommila, Paulig, 2018)

Lacking the brief to which the solutions could be reflected to and due to the purchase being a tendering process, Kiwa Inspecta compared the specific content of each proposals to one another. Even though Suominen struggled in determining the specific reasons that made Hellon's proposal to stand out, he emphasised the significance of Hellon's solution including a renowned trainer, Mikko Koivisto, that he was acquainted with from before. Hence, Suominen was confident about the expertise of the trainer and was convinced about the quality of the outcome.

Both Stala and Paulig reflected the solutions to how well they deem them to cater to the needs of the final user of consumer. In Stala's case the usability of the product played a crucial role and therefore the usability was also systematically tracked through testing and user research. In Paulig's case the challenge related to freshening up the brand in order to make it relevant and desirable for the younger target group and distinguishable on the shelf to drive impulse purchases. Hence, the agency's understanding of the target group and the product segment, were considered crucial to

provide successful solutions. As discussed in the previous section, one of the key reason for choosing to work with Sherpa was their understanding of the younger target group and the fresh approach to making things happen.

Clients also considered it important to be able to affect the outcome of the design service and collaborate on the creation of the solution. Peltonen from Stala appreciated the fact that Pentagon Design was open to suggestions and ready to modify them. As discussed earlier, both Kiwa Inspecta and Paulig considered it a major advantage that they were welcomed to take part in the planning and designing of the solution.

When it came to the economic aspects of the solutions, all the clients deemed finding the right ballpark for the quotations necessary but overall pricing was not considered one of the key determinants of the decision. Having an understanding of the scope of the project and its available budget was however considered important. As Peltonen describes it, the agencies should proportion their quotations to the turnover of the company, which can give good indications of the yearly budgets for product development of marketing. As Stala is a quite small business having the turnover of 11 million, Peltonen wished the agency to understand that the available resources need to be spent wisely. In one of the cases, the available budget was given to the agency but in the remaining two, the agencies were expected to give a quotation based on the brief. In both cases the quotation matched the client's budget. Peltonen deems that design agencies are overall very competent in setting prices and therefore making decisions based merely on the price is not relevant:

"They [design agencies] can price the services very similarly. It's not about the money. You can base the decision on a quotation being 1000€ cheaper. It doesn't make any difference." (Peltonen, Stala, 2018)

Finally, all the clients acknowledged that it is nearly impossible to evaluate the solutions in a perfectly objective manner:

"It's not a mathematical formula." (Peltonen, Stala, 2018)

"But these things aren't based on logical reasoning. We humans often make decisions based on feelings and then justify them with logical reasoning." (Suominen, Kiwa Inspecta, 2018)

"You should be objective and think of the target group but we're all just human beings." (Tommila, Paulig, 2018)

The first spontaneous reaction whether the design communicated what is was supposed to comes very strongly and immediately." (Hovikari, Paulig, 2018)

Hence, decisions are also guided by intuition and personal liking. Tommila emphasised intuition is a powerful signal of what might work and has noticed that often he and his colleagues intuitively prefer the same designs. Especially in the package design project these subjective perceptions of the design were emphasised as both the agency and the client deemed that there is no single and absolute way of forecasting how a certain package design is received by the target group before launching it:

“It’s tricky. I don’t believe that you can say beforehand that a certain package design will work better than the other. You’ll find it out in reality when you launch the product.” (Tarkiainen, Sherpa, 2018)

Consumer research with different methodologies can of course be applied in such situations but such methods were outside the scope of this project. Consequently, a major role was given to the designers’ experience, insights and intuitive understanding of the consumer.

5 DISCUSSION AND ANALYSIS

This chapter discusses and analyses the empirical findings in the light of the existing research and the theoretical framework of this study. The discussion is divided into three main sections outgoing from the research questions posed in this study. Hence, the first section (5.1.) covers the purchase criteria identified and the factors affecting these, comparing the results with the previously identified criteria and concluding the criteria found in this study. The second section (5.2.) summarises the typical sales of design services, i.e. discusses the main stages in the process, the types of interaction, and the means of communication identified in the empirical data, and compares these to the problem-solving process outlined in the theoretical framework. Finally, the third section (5.3.) describes and discusses the sales behaviours and representation formats found in this study and analyses how these were applied across different clients using different criteria for the evaluation of their design purchases.

5.1. Criteria used for framing problems and evaluating solutions

Overall, the purchase criteria of design services can be divided into three categories of criteria for framing the problem, criteria for evaluating the solution, and criteria for evaluating the fit of the design agency. The criteria guiding the framing of the problem stemmed predominantly from the business context and objectives set for the design project. As suggested by the theoretical framework of this study, this framing was used to evaluate the service and the subsequent solution. As determining these specifications for the content of the desired service and therefore the evaluation of the service outcome is rather challenging due to the intangibility of services and the inseparability of production and consumption, the clients tended to focus on evaluating the fit of the design agency to their situation as well as the agency's ability to provide the desired solutions. Hence, a new category of evaluation criteria, i.e. criteria for evaluating the fit of the design agency, was identified based on the analysis of the empirical data. Across all the cases, the clients acknowledged that an entirely objective evaluation of both the agency and the solution is rather impossible and thus subjective opinions and intuition played in on the decisions. These criteria found in the empirical data are summarised in Table 13 and discussed more in detail in the following.

Table 13: Design-specific criteria for framing problems and evaluating solutions

Problem	Solution	Design agency
Factors specific to client business Brand, usability, organisational change Commercial objectives Increased sales Increased brand value Feasible production methods and materials Project budget Quality of design Innovativeness Creativity Novelty Desirability User-friendliness	Correspondency to brief Possibility of customisation Subjective factors Intuition Personal liking Quality of design Creativity Novelty Innovativeness Pricing Potential to commercial success Sales volumes Brand value	Reputation History Image and brand Agency style Reference cases Commercial success of projects Mutual fit Way of working and processes Interpersonal chemistry Personal liking Resources and competences Sellers' personality, competences and skills Designers' competences and skills Knowledge and understanding of business Commitment and interest

5.1.1. Criteria for framing the problem

The criteria guiding the framing of the problem were communicated in a form of a brief and predominantly based on factors and objectives stemming from the business context and the purpose for which the design service was procured. In this study, these ranged from branding to usability and organisational change. The product design case seemed to involve the most objective framing as the criteria set in the brief was based on material and production specifications and certain usability features that were defined based on internal concept development incorporating user and market research. Design was utilised to create new and innovative products that drive differentiation and create competitive advantage. Consequently, in the scope of the product design project, criteria determining the usability and commercial outcomes were central in framing the problem.

The criteria in the package design project stemmed from the brand-related aspects with the key objective of creating a visual solution that drives target group preference, differentiation amongst the competition and desirability of the brand in order to increase sales and brand equity. These criteria were identified by tracking the brand preference and sales, consumer behaviour and market trends, and the competitive environment. Even though the criteria were set systematically based on objective research data, determining what type of creative solution would best tackle these criteria was considered to be at least partly subjective as no user research was conducted on the package design iterations.

Finally, in the service design project, the client had not prepared an actual brief and hence there was no concrete criteria framing the problem, other than the client

aspiration to improve their customer experience by creating better services. The criteria were however re-framed collaboratively with the seller due to a realisation that the development of new services should be kept within the organisation to reach the strategic objectives and hence the problem was re-framed as enabling organisational learning and cultural change.

In common for all the cases, was the scoping of the project budget. The budget was not however seen as an absolute criterion but rather used for guiding the right scope for the quotations. Other criteria shared by the cases was concerned with the frames set for the quality of the design in terms of innovativeness, creativity, novelty, desirability, and user-friendliness that were more prevailing in the package design and product design cases where the client could envision the resulting solution of the service.

To conclude, criteria affecting the framing of the problem have not been specifically identified in previous studies as the focus in the purchase criteria is often on evaluating the final solution. This originates most probably from the primary focus of existing studies and frameworks on understanding the purchasing of industrial goods that differs notably from the purchasing of business services such as design (van der Valk and Rozemeijer, 2009). In the context of design services, the evaluation of the service and its outcome is not always possible due to physical intangibility and inseparability of production and consumption, meaning that it is hard to obtain information on the service, its characteristics, and outcome prior to purchase (Zeithaml, 1985; Valtakoski, 2015). Therefore, setting clear criteria to frame the brief becomes important in order to make the process more tangible and guide it towards the desired results through informing the selection of an appropriate provider for the service, the process of carrying out the design service, and finally the evaluation of the desirability of the outcome.

5.1.2. Criteria for evaluating the solution

As outlined in the theoretical framework of this study, the client framing of the problem is seen as the basis for the problem-solving process (Schön, 1983). These frames are required to evaluate the resources and competences required to solve the problem as well as the evaluation of the desirability of the resulting solutions (Schön, 1983; Corsaro and Snehota, 2011). The findings of this study support this notion as the

criteria set in the brief framing the problem were used for assessing the solution across all the cases. Additionally, as suggested by Heusinkveld and Visscher (2006), all the design agencies emphasised the role of the customer perception of the problem on the development of the solution.

However, being able to deliver solutions matching to the brief was seen as a necessary but not sufficient condition of desirable solutions. Hence, clients expected the agencies to creatively and insightfully challenge their framings with their expertise and experience. This places an emphasis on the creative and explorative processes of designers that have formerly been identified to play a crucial role in designers' competencies (Best, 2011; Eneberg and Svengren Holm, 2015). Hence, the solutions were evaluated based on creativity, novelty, and innovativeness, that were seen as the results of the designer's ability to insightfully and justifiably challenge the framing of the brief. This partially contradicts the findings of Foote (2003) who considers that only designers focus on the creativity and innovativeness of design, whereas clients are mostly concerned with the potential commercial outcomes of the project. Clients did naturally consider the commercial outcomes of the project highly important, and this view was also supported by the designers. However, considering the commercial outcomes of design projects was considered challenging both by the clients and the designers prior to launching the new design on the market. Assessing these results in order create continuity to design projects and to enable learning for future projects was however considered highly beneficial.

Finally, the clients acknowledged that subjective factors also played in on their evaluations even though they aimed to make objective assessments outgoing from the criteria set in the brief. These subjective evaluations were mostly guided by intuition and personal liking of certain solutions, making it harder for designers to determine what type of solutions are preferred by the client. Hence, designers appreciated systematic and logically coherent decision-making processes that were based on criteria set in the brief, which in turn was supported by research and planning carried out by the client.

5.1.3. Criteria for evaluating the design agency

Current research has shown that the unique characteristics of business services, especially in terms of intangibility and inseparability, make the evaluation of such

business services challenging in advance of the purchase as well as complicates the determination of the roles and responsibilities between the buyer and the seller (van der Valk and Rozemeijer, 2009). This is especially true for knowledge intensive business services, such as design, that are client-specific and characterised by interactive and collaborative problem-solving processes between the client and the seller (Muller and Zenker, 2001). With respect to the purchase criteria applied in the context of KIBS, the existing research shows a tendency towards relationship- and interaction-related factors and the seller's ability to understand the client. This study confirms this notion as a new category for evaluating services was identified in the empirical data, i.e. criteria for evaluating the fit of the design agency. As the clients tended to consider the evaluation of the actual design solutions rather challenging at the outset of the project, they focused on the relationship- and interaction-related criteria in order to evaluate whether the agency would have the right resources, competences, vision, style, and people to solve the problem and how it would be to work with them in terms of matching processes, cultures, and interpersonal chemistry.

Hence, the clients in this study showed a tendency to place a greater importance on finding the right service provider, in some cases referred to as a partner, that they felt confident in being able to find a solution to their problem than evaluating the solutions per se. For this end, the clients evaluated the resources and competences of the agency to provide the desired solutions through considering the previous working history with the agency, analysing reference cases and previous commercial successes, or considering the image and reputation of the agency. Due to the complex nature of the services provided and high levels of customisation, the design agencies were expected to possess specialised knowledge and skills as well as a thorough understanding of the client's business as suggested also by existing research (Tuli et al., 2007; van der Valk and Rozemeijer, 2009; Nordin and Kowalkowski, 2010; Aarikka-Stenroos and Jaakkola, 2012). Secondly, clients considered it important to evaluate how it would be to actually work with the agency in practise and what the interactions would be like, i.e. how do their processes, cultures, and interpersonal chemistry match. Especially open and effortless communication and the functioning of interpersonal chemistries in the relationship were emphasised. These findings are supported by Lapierre (2000) who found that clients place heavy emphasis on the quality of interaction and service process, and van der Valk and Rozemeijer (2009) who emphasise the consideration of the mutual fit in terms of cultures, attitudes, behaviours, processes, and systems between the seller and the client.

Across all the cases, the clients considered it important that the agencies were interested in and committed to the project. This was considered to decrease the risks related to the project as well as increase the likeliness of more innovative results as the designers were genuinely interested in finding the best possible solution to the client problem. Finally, as in the evaluation of the solution, the personal liking and preferences of certain actors affected the selection of an agency as suggested by Foote (2003). The design industry in Finland is rather small and clients tend to work with a rather small pool of agencies, thus often having some sort of personal connections or relationships to the agencies.

Overall, in order to decrease the risk, clients tended to stay with the agencies with which they considered the processes and the relationships to function. This was mainly out of three reasons. First, learning each other's processes and ways of working was considered to take time and resources, often leading into inferior results. Secondly, the right people with the right vision and competences were considered the hardest resources of an agency to replace. Therefore, when finding the right people to work with, the clients considered it risky to change the agency. Finally, having close and open relationships was considered as an antecedent of creativity and successful outcomes.

5.1.4. Factors affecting the evaluation of design services

The logic of this study builds on the foundation that the different levels of design service complexity in an interplay with the client's design literacy and the organisational level of design application affect the criteria set for framing design problems and evaluating solutions. This in turn is seen to affect how design agencies can shape their sales practices in a buyer-driven manner to better cater to the needs of different clients outgoing from their individual perceptions of the design and the significance of design in the organisational context.

The findings of this study augmented the understanding of these factors and how they affect the evaluation of design purchases and the creation of mutual understanding between the client and the seller. Outgoing from the theory, these factors were divided into two main categories relating either to the organisation (design maturity and design literacy) or to the offering per se (complexity). However, based on the empirical findings, it is important to distinguish the design literacy of the client from the

organisational factors and understand the design literacy of the client from the viewpoint of the individual, i.e. place a special emphasis on the individual perceptions and understanding of design. Hence, the factors affecting design purchases are divided to complexity of the design service (offering), design literacy of the client lead (individual), and the level of design application (organisation). In the following, each of these dimensions are discussed more in detail, and a summary of the factors affecting client evaluations of design purchases can be found at the end of this section in Table 14.

5.1.4.1. Complexity of the design service

In this study, design services were examined in the scope of knowledge intensive business services (KIBS) that feature the key characteristics of knowledge-intensity of the service provided, the function of consulting or problem-solving, and the strongly interactive or client-related character of the service provided (Muller and Zenker, 2001). Defining design as KIBS was already earlier recommended by Ornamo (2016) as well as Aarikka-Stenroos and Jaakkola (2012). The empirical findings confirm this classification as all the design services studied shared the special characteristics of KIBS as all the services and their outcomes were highly interactive and customised to the special context and needs of the client. The sales interaction was also characterised by the typical characteristics that have been found in value creation activities in KIBS, i.e. the sellers' dependency on the client to provide information on the context and needs, and the clients' active role in co-producing the solutions (Tuli et al., 2007; Bettencourt et al., 2002). In all the cases, both the clients and the agencies emphasised the importance of the briefing outlining the client problem and the space for desirable solutions. Once the projects had been initiated, the clients tended to be active co-producers of the solutions. Hence, value creation can be described as a process of collaborative problem-solving.

Whereas knowledge-intensity was characteristic for all the cases, the intangibility of both the design service and its outcome varied across the cases and seemed to clearly affect both the framing of the problem and the evaluation of the solution. Further, different levels of intangibility required different levels of design literacy from the client as suggested by Eneberg and Svengren Holm (2015). In the service design case, both the design service and its outcome were intangible, both in terms of physical intangibility and mental intangibility. The service was open-ended as the client had only

defined that they want to enhance the customer experience but had not defined the means of how to achieve this. As the service took place in the form of a training programme, the value of the service was determined by the individual and subjective perceptions of each participant. The assessment of the service solution was open-ended as the outcome unravelled over a longer period of time as organisational learning and change of culture. As a result, and due to lack of experience in buying service design, the client considered it challenging to frame the problem and systematically evaluate the solution. Therefore, the criteria for evaluating the service was mainly based on evaluating the fit of the agency in terms of it having the right approach and competences to solve the problem, commitment to and interest in the client situation, understanding of the client's business challenge as well as the ability to agilely adapt the service to the client's needs. This emphasis on agency-related criteria is in line with the business service purchasing literature that emphasises considering the mutual fit in terms of cultures, attitudes, behaviours, processes, and systems between the seller and the client (van der Valk and Rozemeijer, 2009).

In the package design case, the framing of the problem and evaluation of the solution were mainly challenging due to the subjective nature of the assessment, i.e. the service and especially its outcome had a high mental intangibility. The mental intangibility in this case mainly referred to the challenges related to how easily the service outcome could be cognitively understood with respects to the visual and creative aspects of the solution. The solution was mainly compared to the brief in order to reflect the design as objectively as possible to the brand objectives set. However, the client deemed the evaluation to be always dependant on subjective assessments such as personal liking and intuition. As the ability to assess the visual solutions was considered to be related to insight and intuition arising from designers' experience and special competences, also the client's design literacy played a crucial role for their ability to assess the solutions. Finally, similarly to the service design case, the client placed an emphasis on the agency-related factors to find the most suitable partner to work with. Hence, the emphasis was on finding an agency with the right style, creative vision, competences, business understanding, and matching interpersonal chemistries in order to work in an open and collaborative manner towards creating a mutually satisfying solution.

The product design case represented the most objective assessment based on material and production specifications and certain usability features that were defined in the briefing phase based on concept development and research. Intangibility was

related mostly to the difficulty of obtaining information on the service and its outcome prior to purchase. Hence, to decrease the uncertainty related to this, the client preferred to work with a small pool of agencies they trusted to find the solution and deemed convenient to work with. In addition to comparing the solution to the criteria set in the brief, the client emphasised the mutual fit in terms of matching ways of working and interpersonal chemistries. These aspects were considered important as the solutions were designed in a collaborative manner in one multidisciplinary team of both client and agency representatives. Finally, it needs to be noted that the client's educational background in industrial design as well as the central role given to design in the organisation certainly had their impact on the client's tendency to work with design in a systematic and coherent manner, thus decreasing the subjectivity and open-endedness of evaluation by setting clear criteria arising from the business and usability-related objectives.

To conclude, as can be seen in the discussion above, the increased intangibility of the design service and its outcome complicate the framing of the problem and the evaluation of the solutions. Due to this more challenging nature of setting the criteria from framing the problem and evaluating the solution, clients tend to focus on assessing the mutual fit of the agency. In order to make the assessment more systematic and objective, all the agencies aimed to make both the service and the solution less intangible. The effect of the complexity of the design service for the client evaluations seemed to be closely intertwined with the client's design literacy and hence the following section casts light on this interdependency.

5.1.4.2. The design literacy of the client

As suggested by Eneberg and Svengren Holm (2015) the client's design literacy is closely linked to the complexity of the design service: higher levels of complexity also necessitate higher levels of design literacy from the client. Based on the findings of this study, the educational background, competences, and experience of the client lead affect their ability to frame the problems and evaluate the solutions. Further, clients with varying levels of design literacy have different perceptions and make different interpretations of design services, which needs to be taken into account by the sellers in order to create mutual understanding.

The design literacy of the affected the evaluations along four dimensions. First, the design literacy of the client affected his or her vision of what type of problems can be solved with different design methodologies. For example, in the service design case, the client lead had studied service design and therefore was ascertained that service design would possess the right methodologies to solve their open-ended problem. Secondly, the design literacy of the client affected his or her ability to articulate their needs both in terms of framing the problem and giving feedback on the design solutions. Hence, the client's design literacy plays a crucial role in setting the criteria for framing the brief and thus has a central effect for the subsequent design process. Additionally, both the clients and the designers considered the open sharing of ideas important for enhancing creativity and therefore central for the outcome of the design service. Third, the design literacy of the client affected his or her ability to envision different solutions, i.e. the ability to set the frames for the solution space. This naturally affects the client perception of what type of design solutions are seen desirable and suiting to solve the problem. Finally, the design literacy of the client lead determined the client's ability to perceive and interpret different types of representation formats. This was especially central in the highly visual package design case, where one of client leads struggled in interpreting some of the visual representation formats and thus needed the help of the seller and her colleague to interpreted and articulate her perceptions on the agency proposals.

To conclude, as suggested by previous research (Eneberg, 2011) the design literacy of the client affects the aspects he or she pays attention to, i.e. the criteria set for both framing the problem and evaluating the solution. Further, the findings of this study showed that having a design literate client lead in the client organisation enhances communication and creation of mutual understanding as the client lead can act as a design manager facilitating the communication and interpretations of different design solutions.

5.1.4.3. Level of design application

As argued by Best (2011), design can be given different definitions based on the level of design maturity of the organisation applying design, ranging from considering the aesthetics and styling to using design as a strategic tool. Hence, the design maturity of the organisation reflects the level of design application in the organisation and affects what kind of problems the client considers can be solved with design, what kind of

outcomes and added value are expected, and who in the organisation takes part in decision-making (Borja de Mozota, 2006; Best, 2011; Celaschi et al., 2012). Consequently, the level of design application is expected to affect also the criteria set for framing design problems and evaluating solutions. In the light of the findings of this research, the organisational level of design application affected the evaluation of design purchases mainly in terms of the objectives set for the projects and thus the expected outcomes. Also, the composition of the decision-making unit varied based on the level of design application and the strategic importance given to the project.

The level of design application affected the objectives clients set for the projects and what kind of value was expected to be gained through it. In the product design project, the application of design was clearly systematic and strategic as the competitive strategy of the firm was based on the ability to cater to unsatisfied user needs with insightful designs. Further, design was stated as one of the key cornerstones of the strategy, and design thinking was considered to be inherent in the company culture as designers had always been closely integrated to the business logic. Design was utilised to create new and innovative products that drive differentiation and create competitive advantage. Outgoing from Borja de Mozota's (2006) categorisation, design had the roles of *differentiator* and *good business* in the value creation as the objectives were to create market-based differentiation and competitive advantage, and therefore increased sales. Consequently, and as discussed earlier, the main criteria set revolved around the usability (differentiator through more insightful designs) and commercial impact (good business through increased sales).

In the service design case, the design project was directly linked to the company strategy of enhancing the customer experience through being able to design high-quality customer experiences. Service design was utilised as an *enabler* of organisational learning in the long-term in order to transform the organisation from a goods-dominant logic into a service-minded creator of better customer experiences. Hence, design had the role of *transformer* and enabler in the value creation (Borja de Mozota, 2006; Normann, 2001). As the value outcomes were organisation-wide and expected to unravel over a longer period of time, the client considered it challenging to set concrete criteria for evaluation or metrics for measuring the success of the project.

Finally, in the package design project, design was primarily used as styling as the client had internally developed the concept for the product and brand, and only the part of

visual communication of this concept was outsourced to the agency. This was due to the client's aspiration of creating knowledge capital within their own organisation. Hence, design was utilised for *relieving*, i.e. the agency doing a series of tasks for the client (Normann, 2001), and the value of design emerged mainly through the roles of design as a *differentiator* and *good business*. As discussed earlier, the main criteria considered brand-related aspects (market-based competitive advantage through differentiation) and driving preference and sales (good business).

The organisational level of design application was also reflected in the composition of the decision-making unit (DMU). In the product design case, the entire DMU used to be present in the most important meetings. The vertical integration and commitment of all the functions including the CEO were considered beneficial for the success of the collaboration as the agency could be in direct contact with the decision-makers. In the two other cases, the communication with the C-level was not as straight-forward. In the service design case, the agency was in partial contact with the C-level but the client lead considered it more beneficial if he facilitated the communication. In the package design case, both the project and the client lead were on an operational level. The account manager at the design agency deemed this challenging as he would have hoped for to be able to work on strategic projects that would have better reflected his task and role in the agency. Overall, the agencies showed a preference for working with design on a strategic level as they deemed the possible impacts of design projects to be linked to the organisational level of design application. Hence, projects on a strategic level were considered to have more substantial impact. This is in line with the findings of Eneberg and Svengren Holm (2015) who found that industrial design consultancies deem the commitment at the top management level as a key prerequisite for working with design as a strategic tool and associate it with higher value outcomes and higher compensations for the design agency.

Table 14: Factors affecting client evaluations of design purchases

Factors affecting client evaluations of design purchases		
<p>Complexity of design in terms of intangibility</p> <p>Physical intangibility: Ability to obtain information on the offer</p> <p>Mental intangibility: Subjectivity vs. objectivity, open-endedness</p> <p>Complexity of design in terms of knowledge-intensity</p> <p>Nature of problem-solving Interactivity Customisation to client context</p> <p>• Related to offering type</p>	<p>Level of design application</p> <p>Design maturity: Strategic importance, focus and objectives, potential impact and outcomes</p> <p>Design value: Expectations for value outcomes</p> <p>Organisational position of the client lead</p> <p>• Related to client organisation</p>	<p>Design literacy of the client</p> <p>Understanding of the scope of design application and outcomes</p> <p>Ability to articulate needs</p> <p>Ability to envision solutions</p> <p>Ability to interpret different representation formats</p> <p>• Related to client as an individual</p>

5.2. Sales of design services as a problem-solving process

The second research question of this study poses the question of how problems and solutions are currently communicated in the sales interactions between design agencies and their clients. The theoretical framework of this study conceptualises the sales of design services as an interactive problem-solving process between the design agency and the client with the aim of seeking alignment on the customer perceived-problem and customer-perceived solution. Hence, in line with the socio-cognitive view on value (Haas et al., 2012), the overall objective of the sales process is to create mutual understanding between the client and the agency in order for value to emerge.

The findings of this study support the conceptualisation of sales as a problem-solving process. However, the process proved to be even more interactive and collaborative than the suggested framework as design agencies and their clients tended to work collaboratively on the final solution. To be noted here with respect to the sales interaction is that clients often made purchase decisions before the collaborative design work began. This was done based on the agencies' proposals of how they would proceed with solving the problem. In the following, a typical sales process and means of communication along it are summarised and illustrated in Figure 10.

As suggested by the theoretical framework, the framing of the client problem formed the basis for the problem-solving process and was used for evaluating the resources and competences required to solve a given problem (Schön, 1983; Corsaro and Snehota, 2011). These problem framings were communicated to the agencies in the form of a brief which was typically given over a face-to-face meeting. The importance of these meetings was considered to increase as the problem complexity increased. In these cases, the briefing meetings resembled a discussion where both the client and the agency collaborated on framing the problem and therefore the brief. An example of such situation was the service design project where the design agency took an active role in diagnosing the client need and framing the brief. Overall, the briefing meetings were considered important to discuss the actual execution of the project in terms of matching the processes between the client and the agency, setting the key stages and timetables as well as agreeing on the roles and responsibilities of both parties. This finding is in line with the findings of van der Valk and Rozemeijer (2009) who place a great deal of importance on the initial stages of the purchasing process and emphasise considering and coordinating how the service process will be executed on an operational level. Design agencies considered it important to have a clear

understanding of the client-perceived problem and therefore often actively asked questions in order to align on the customer-perceived problem. As a part of these questions, the agencies considered it important to challenge the client brief when needed in order to find the genuinely best solution for the client problem and create added value through their special expertise. During these briefing meetings, the designers often already started to scope and envision the possible solutions in order to determine what type of resources and competences would be required to conceive the solution.

Based on their understanding of the problem, i.e. the supplier-perceived problem, the design agencies prepared a proposal for the client. The form and content of these proposals varied notably ranging from textual quotations, project plans, and debriefs to visual presentations on nearly finished solutions. Hence, the amount of work and designing the proposal varied across the cases. The format and content of these proposals were often derived from the client needs and wishes. For example, in the product design project, the client had hoped for simple representations formats, whereas in the package design project the client requested to see the design proposals in the form of a visualised package. Both the clients and the agencies considered that the representation formats varied based on the complexity of the design service and its possible solutions; complex situations requiring more comprehensive representation formats. Overall, it was emphasised that these proposals should contain enough textual explanations behind the design decisions and solutions for the client to be able to interpret and evaluate the proposals. Related to the importance given to explaining the reasoning behind the design solutions, all the design agencies considered it crucial to be able to present the solutions face-to-face as it enabled discussion and decreased the possibility of misunderstandings. Especially in situations where the client's decision-making unit consisted of people with different backgrounds and levels of design literacy, the importance of these meeting was emphasised.

As can be noted in this discussion, the primary objective with the proposals is to align on the framing of the problem and on the space for possible solutions as well as the means of reaching this solution. In other words, the ultimate goal of these proposals and the meetings in which they were presented was to create mutual understanding on the perceptions of the problem and how it could be solved. Hence, as suggested by Haas et al. (2012), the role of sales was to create common meanings and mutual understanding for value to emerge. Client purchase decisions were usually made

during this phase based on how well the agency had understood the situation, how well they had succeeded in answering to the brief with a relevant solution, and whether the client considered the agency to have the right fit for the situation, i.e. whether the agency was considered to support their creation of value-in-use. When alignment was reached, the client and the design agency engaged in a collaborative design process to conceive the final solution.

Sales of design services as a problem-solving process

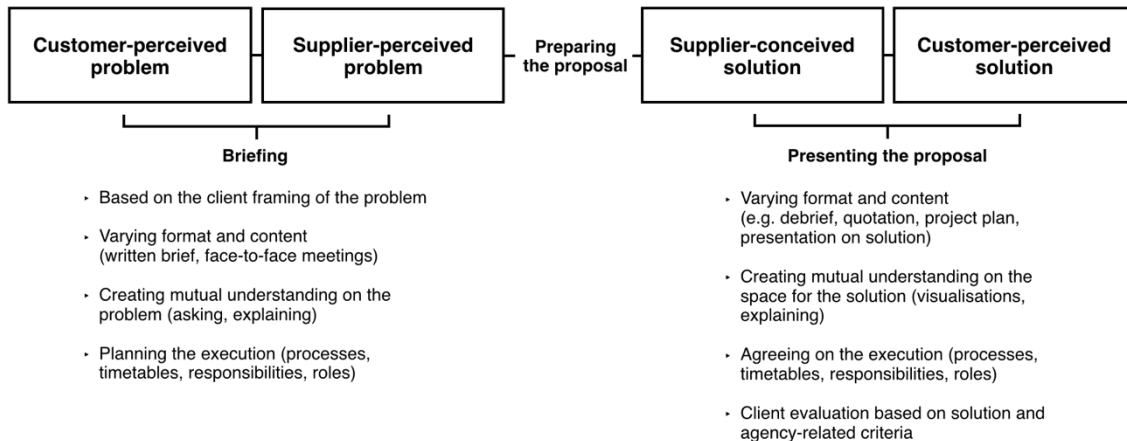


Figure 10: Sales of design services as a problem-solving process

5.3. Sales practises applied to align on the problem and solution

Outgoing from the logic of this study, the sellers of design services can apply different sales practices across different sales and purchasing situations in order to more efficiently reach alignment on the customer-perceived problems and solutions, and hence create mutual understanding for value to emerge. Consequently, the third research question of this study deals with how design agencies can shape their sales practises to reach alignment on problems and solutions across different types of clients and design purchases. In the scope of this study, sales practices are defined as a combination of the sales behaviours of asking, telling, challenging, showing, and making and representation formats of communication media and generative design tools.

The empirical findings of this study show that design agencies applied all the sales behaviours identified in the theoretical framework of this study but the focus of the representation formats seemed to be on the use of visual presentations, and the use of generative design tools in selling was rather limited. The type of design service and the

client situation did affect the sales practices applied as assumed by the research setting of this study. Complex design services, especially when combined with low levels of client design literacy, necessitated more active role from the seller in terms of sales behaviours related to diagnosing the client problem and comprehensively explaining the design solution by verbal, textual, and visual means. In order to support the value creation of the client, especially the sales behaviours of *challenging* in order to bring about novel approaches and telling in the form of *explaining* in order to enhance mutual understanding, were emphasised in the empirical findings. Overall, when aligning their sales behaviours and representation formats, designers tended to be more focused on considering the client's design literacy and thus ability to understand and interpret different types of representations formats than the actual criteria clients used for evaluating the solutions. Whereas the complexity of the design service and the client's design literacy had direct impacts on the sales practices of the seller, the strategic level of design application was not systematically addressed by the sellers as only one of the studied agencies tended to consider the design solution in the scope of the client organisation.

5.3.1. Sales behaviours

The sales behaviours of asking, telling, challenging, showing, and making were applied across different client cases. None of the studied sales interactions explicitly involved behaviours of making as these more collaborative forms of working took typically place after the sale had been closed. As can be seen in Figure 10 on the typical problem-solving process of selling design services, the sales interaction is primarily divided into interaction related to the client briefing and interaction related to the design agency presenting the proposals of the solution or means of reaching the solution. As suggested by Mortensen (2015), sellers apply different behaviours outgoing whether they are aligning on the problem framing or the space for the desirable solutions. This study indicated similar findings as in order to reach alignment on the customer-perceived problem, the sellers mostly took to the behaviours of asking, challenging, and telling, whereas in the alignment on the solution space, the sellers demonstrated the behaviours of asking, telling, and showing. In the following, both the sales interaction on the alignment on the problem and the alignment on the solution space are discussed more in detail, simultaneously considering the effect of the client situation and type of the design service on the applied sales practices. The sales

behaviours taken in order to reach alignment both on the problem and the solution are summarised in Table 15.

Table 15: Sales behaviours to align on the customer-perceived problem and solution

Problem	Solution
<p>Asking Diagnosing unarticulated needs and problems</p> <p>Challenging Questioning ill-defined problems Bringing new insights and approaches</p> <p>Telling Explaining alternative approaches</p> <p>► Creating mutual understanding of the customer-perceived problem</p>	<p>Asking Ascertaining correct understanding Asking for results of the project</p> <p>Telling Explaining the process behind the solution Articulating the logic behind decisions made Supporting the client interpretations</p> <p>Showing Use of representation formats to support sales communication</p> <p>► Creating mutual understanding of the customer-perceived solution</p>

5.3.1.1. Alignment on the problem

Creating a thorough understanding of the customer situation and problem was considered important by all the studied design agencies as it was seen as the basis of determining what kind of resources and competences are needed to solve the problem and what the space for the desirable solutions might be. Also, planning how the agency and client processes would be matched in order to create the desired design solution was deemed important at the outset of the project. The sales behaviours applied to align on the problem were asking, challenging, and telling and these behaviours varied based on the complexity of the design service and the client's design literacy with respect to his or her ability to frame the brief and articulate his or her needs. Complex situations, where the framing of the problem was ill-defined or non-existent, necessitated a more active role from the seller, as suggested by previous research in the domain of KIBS (Nordin and Kowalkowski, 2010; Aarikka-Stenroos and Jaakkola, 2012). In these situations, the sellers demonstrated the behaviour of asking as they aimed to diagnose the underlying client needs to frame the actual problem, as was the case in the service design project. Telling behaviours in such situations were related to the seller explaining how the client could frame the problem outgoing from a new angle and what the subsequent solutions might be.

The importance of challenging was acknowledged across all the cases and both by the design agencies and their clients. Even though challenging was seen crucial in all types of design projects, the importance of such behaviours increased in situations where the clients possessed different professional backgrounds and therefore potentially lacked the knowledge and understanding to articulate their needs, leading to ill-defined problems. Such situations were often intangible and open-ended, thus requiring more sophisticated design literacy from the client. Designers considered the act of challenging as a natural way of working and as also pointed out by previous research (Eneberg and Svengren Holm, 2015; Ravasi et al., 2008), designers tend to explore and experiment new and innovative solutions and inventively focus on how things should be in order to find the genuinely best solutions. By challenging the customer-perceived problem already during the briefing interaction, designers could discuss the possible avenues for the solution and thus reach alignment and mutual understanding of the possible solution earlier on, making both the sales task and the subsequent design process more convenient. Clients considered the act of asking to add value to the sales interaction as it reflected the seller's commitment to and interest in the project as well as the agency's creativity and intelligence in terms of being able to provide new approaches to the customer's problem. All of the clients considered that the ability of the design agencies to generate fresh approaches and innovative ideas were the primary reasons to purchase design services from external service providers.

5.3.1.2. Alignment on the solution space

In order to align on the solution space, i.e. the mutual understanding of what type of solution can solve the client problem, the agencies tended to demonstrate the behaviours of asking, telling, and showing. Overall, the agencies considered it crucial to be able to present their proposals to the clients in face-to-face meetings in order to enable an interactive discussion on the solution and therefore the forming of mutual understanding. Asking was applied across all the cases in order to ascertain that the solution was built on a solid foundation, i.e. that the client situation was understood correctly. This was often done in the beginning of the meetings in order to set a mutual tone for the rest of the interaction. Secondly, the importance of asking was reflected by the wish of the clients to have feedback meetings to track the commercial outcomes of the projects.

Showing behaviours related to the application of different representation formats that were utilised to support the verbal communication of the seller as has been showed also by previous studies (Mortensen, 2015; Illi et al., 2018). These representation formats applied across different clients and design services are discussed in below in Section 5.3.2.

Finally, the act of telling took the form of explaining, the importance of which was emphasised both by the clients and the design agencies. This explaining refers to the designers verbally or textually unravelling the processes behind the design solutions, articulating the reasoning behind decisions made, and guiding the client in interpreting different solutions and representation formats. Both the complexity of the design service and the client design literacy affected the intensity of explaining required. Clients with different professional backgrounds may interpret the mainly visual design proposals very differently, and therefore the importance of explaining increases with clients with lower levels of design literacy and experience in working with visual representation formats. The increased complexity of design service naturally requires more comprehensive explanations as was illustrated by the service design case where the seller emphasised the importance of clear sales communication and thus utilised the *challenge – objective – outcome* definition and storification in order to make the proposal easier to understand. To conclude, the behaviour of explaining played a key role in bridging the gap between the different professional fields of design agencies and their clients and was the most powerful sales behaviour to both increase mutual understanding and support the creation of value-adding solutions.

5.3.2. Representation formats

Different types of presentations were the most frequently used representation format to support the sales communication. Overall, the agencies considered that the more concrete the project gets, the more detailed representation formats are used. The representation formats in the sales phase varied from textual project plans and quotations to highly visual presentations that aimed to visually convince the client about the solution and help the client to interpret and evaluate the proposed designs. Design agencies also tended to structure the presentations in a form of a narration to make the proposals easier to understand. The formats applied depended mostly on the closeness of relationship between the client and the agency, the agency's judgement of the client's design literacy, and the type of the service.

Close and long relationships required less convincing through visual representation formats, whereas presentations used in tendering processes were thoroughly planned and designed to be visually persuasive, thus taking more time and effort from the agency. Sherpa as an advertising agency seemed to make the most visual presentations, which might be related to the long tradition of pitching culture in the advertising industry and the professional ambitiousness of graphic designers to signal their industry-specific professionalism through visually appealing and convincing presentations.

Clients with lower levels of design literacy tended to require more concrete and finalised representations of the proposed designs as well as more comprehensive explanations behind the design decisions taken. Here the presentations took the role of *personalisation*, i.e. visually illustrating how the customised solution links to the customer problem, as defined by Mortensen (2015). Showing the design proposals in a more concrete form, that the client's perceived easier to grasp, enabled dialogue on the proposed design as well as collaboration on the solution. An example of such situation can be found in the package design case, where Sherpa made both visualisations of the packages as well as mock-up pictures of the package designs in the actual store environment in order to make the client evaluations easier and thus align on the desired solution.

When dealing with open-ended and intangible design services, all the design agencies aimed to make the service more tangible and easier to grasp through visualisations, storification, and different narrative structures as demonstrated by Hellon's use of the Challenge – Objective – Outcome definition, and Pentagon's Define, Design and Deliver approach. Mortensen (2015) referred to this activity as the construction of a *step-by-step narrative* with the aim of structuring the argumentation into a compelling narrative making the solution easier to grasp and more persuasive, simultaneously as the problem and the solution are linked together.

Mortensen (2015) found that presentations have a role in *trust transference*, i.e. using trustworthy external sources and documentation as "proof sources" to gain trust as one of the key roles of communication media. The agencies in this study utilised this dimension to a surprisingly limited extent. In the service design case, Hellon succeeded in gaining the trust of the client with the reputation of a renowned trainer but the seller did not consider this as a deliberate decision to convince the client. In the

product design project, the client considered that Pentagon Design could more explicitly show the argumentation behind their design solutions as they do carry out systematic user research as a part of their design process. Hence, the research data could be more effectively used as a proof source. However, the agencies did acknowledge that sending merely visual presentations to clients is risky as they might be interpreted very differently by clients with different professional backgrounds, and therefore emphasised the importance of backing up the design proposals with textual explanations.

Finally, as also identified Mortensen (2015), presentations were used as an important means of transmitting knowledge further in the client organisation, i.e. taking on the role of *portability*. Hence, the presentations supported alignment also internally in the client organisation, giving arguments to the customer to motivate the solution to his or her colleagues and superiors. Especially in cases where the clients had lower levels of design literacy, they considered the presentations as helpful tools for their internal decision-making.

6 CONCLUSIONS

Based on existing research, much of the challenges in collaborations between designers and their clients originate in the lack of common language between the two different professional fields. Hence, the primary challenge in selling design seems to reside in creating mutual understanding of what design actually means and how it renders value in the scope of the overall business of the client. In order to narrow down this communication gap, this research has approached the sales of design services from a problem-solving point of view according to which the value unravels as the seller and the client can find mutual understanding on the framing of the problem and the solution. More specifically, this study has aimed to increase the currently limited understanding of sales interactions between design agencies and their clients. This was done by exploring the criteria clients apply for framing design-related problems and for evaluating design solutions and what kind of organisational, individual, and offering-related factors play in on these evaluations. This study argues for the logic that by better understanding how clients perceive design purchases outgoing from their individual competences and business context, design agencies can more efficiently shape their sales practices across different clients in order to unravel the full potential of the design services they offer. This section concludes the main contributions of this study with respect to the research questions posed and considers the managerial implications, limitations, and avenues for further research in the topic.

6.1. Main findings and theoretical contribution

The first research question in this study explored how clients evaluate design purchases, i.e. what criteria they apply for framing the design-related problems and for evaluating the solutions. The main contribution of this study with respect to the first research question is the identification of design industry specific criteria for evaluation design purchases. These criteria can be divided into three main categories: a) criteria for framing the problem, b) criteria for evaluating the solution, and c) criteria for evaluating the fit of the design agency. This study strengthened the already existing understanding of the client framing of the problem as the starting point and basis of the problem-solving process, as the evaluation of the design solutions were predominantly based on a comparison to the frames set in the brief. Further, this study showed that the evaluation of design purchases is not merely focused on the solutions per se, but rather the clients tended to focus on evaluating the fit of the design agency to the

client's situation as well as their ability to provide the desired solutions. Hence, due to the interactive, client-specific, and intangible nature of services, the client evaluations showed a tendency towards more relationship- and interaction-related factors and the seller's ability to understand the client and the client situation.

As suggested by the theoretical framework of this study, the different levels of design service complexity in an interplay with the client's design literacy and the organisational level of design application did affect the criteria set for framing design problems and evaluating solutions. The findings of this study augmented the understanding of how these affect the evaluation of design purchases and identified three dimensions for these factors: complexity of the design service (offering), design literacy of the client lead (individual), and the level of design application (organisation). Hence, in order to understand how clients perceive, interpret, and evaluate their design purchases, the sellers of design services need to understand their clients both on individual and organisational levels as both the individual cognitive processes of the clients and the organisational level of design application affect the purchase behaviour.

With respect to the second research question, this study has increased the understanding of how problems and solutions are currently communicated in the sales interactions between design agencies and their clients. The client problems are predominantly communicated to the design agencies in face-to-face meetings in the form of a brief, the content and format of which varies based both on the type of the problem and the design literacy of the client. Design agencies applied different representation formats to communicate their solutions to the clients, ranging from textual formats presenting the plan for execution to visual formats showcasing nearly finished solutions. The client purchase decisions were made based on these presentations and the client judgement of how well the solution and the resources, competences, people, and processes of the agency support their creation of value-in-use. Overall, the process proved out to be interactive with both the agencies and clients emphasising the importance of open, face-to-face communication in order to avoid misunderstandings and enhance the creation of mutual understanding.

The third research question and the ultimate objective of this study aimed to examine how design agencies can shape their sales practises to reach alignment on problems and solutions across different types of clients and design purchases. The findings of this study contribute to the understanding of the sales behaviours and representation

formats that design agencies use in order to create mutual understanding between them and their clients. The main contribution is the identification of the sales behaviours of *challenging* and *explaining*, which both the design agencies and the clients considered to enhance the mutual understanding and to contribute to creating value. Further, the use of textual and visual representation formats was considered to support the sales communication and make the design solutions easier to understand. This was done by utilising different types of step-by-step narrations and visual illustrations of how the solution caters to the specific problem of the client. Hence, in order to develop more efficient sales practices to unravel the full value potential of the design services offered, the findings of this study suggest to focus on insightfully challenging the client in order bring valuable, novel approaches and solutions to the client problems as well as comprehensively explaining the solutions through visual, textual, and verbal communication in order to create mutual understanding of how the agency-conceived solution supports the client's creation of value-in-use.

Finally, this study also identified potential avenues for further developing the sales practices of design agencies in order to shape them towards a more buyer-driven approach. Based on the findings of this study, design agencies seem to focus primarily on the design literacy of their clients and the perceived complexity of the design service and its outcome, whereas less attention is paid on the actual criteria that clients apply for evaluating design services as well as the significance of the design service and solution in the scope of the client's overall business. Overall, the clients placed a great importance on the commercial outcomes of the design projects and would have preferred to see reference cases showing the commercial impact created by different types of design services. Design agencies seemed to have acknowledged this importance but had not yet developed systematic means for collecting such data and incorporating it to their proposals as such data tends to be available only after the projects have been launched. However, seeing reference cases with such commercial results was deemed insightful and convincing by the clients. Hence, by systematically collecting data on the actual commercial outcomes of the design projects, design agencies could develop a new powerful tool for their sales work. Secondly, considering design services and solutions in the scope of the client's overall business helps to understand what kind of objectives are set for the project and how the clients track and evaluate the solutions. By considering the role of design in the organisational context of the client, designers can craft solutions and sales practices that better support the

client's organisational processes and objectives and consequently support their creation of value-in-use.

6.2. Managerial implications

The purpose of this study, i.e. developing the sales practises of design agencies, is closely tied to the practical realm of selling design services and therefore the managerial implications of this study are especially interesting. First, as noted in the purchase criteria, clients seem to put an emphasis on evaluating the fit of the agency to deliver the desired solution. This fit is predominantly evaluated based on the reputation, image, and previous cases of the agency, putting an emphasis on the marketing and branding activities of the agencies. Two of the agencies had explicitly communicated their brand essence through a slogan which was recognised by their clients, thus successfully building the image of the agencies. On the other hand, as agencies were evaluated based on previous cases, agencies should strategically choose the clients they work with and how they choose to present the previous cases in order to render a desired brand image driving the client perceptions of the agencies' skills, competences, and fit for solving the client problems. Hence, agencies should put a strategic focus on their marketing communications as well as client prospecting and selection in order to successfully acquire the right type of clients that fit to the agency profile.

Secondly, and related to the marketing and branding activities, agencies should develop their sales functions in a systematic manner. Currently, most of the agencies operated on a rather loosely defined sales agenda. Most of the agencies had defined objectives, roles, and responsibilities for their sales functions but the means of reaching the objectives were still rather undefined and on the responsibility of each sales person. However, agencies showed a considerable interest towards developing their sales organisations and sales tools. One of the agencies had recently built up a sales team with the objective of systematically developing the sales function, whereas another agency was currently going through a strategy programme to develop their strategy that steers the image of the agency and the type of clients they wish to work with. Finally, when building the sales function, agencies should consider the education, background, and skills of the seller. Having a multidisciplinary background of both business and design was considered valuable by the customers. Sellers, that often are account managers or project managers, are expected to bring valuable insights to the client already during the sales interaction, necessitating knowledge both in the fields of

design and business. For example, in the package design case, the ability of the project manager to insightfully comment and explain the design solutions for the client was seen to add value to the sales interaction. Hence, by taking the role of a design manager, sellers can facilitate enhanced communication and the creation of mutual understanding.

Third, both the clients and the agencies emphasised the importance of open communication that was seen to enhance both trust between the client and the agency and the creativity of the project outcomes. All of the studied cases demonstrated this open communication and were deemed successful both by the client and the seller. Hence, it is interesting to analyse what the agencies did to achieve this. In the service design case, the seller convinced the client by asking insightful questions demonstrating their commitment and intelligence, making the client feel comfortable to share information and collaborate on the solution. In the package design case, the client and the seller had agreed already at the outset of the project to work in a collaborative manner, which led to rather close collaboration and immediate relationship between the client lead and the design team enhancing the open share of opinions.

In order to enhance the open communication between the client and the seller, the agencies could implement a systematic application of feedback meetings with the clients. In the product design case, the client lead pointed out that this would show commitment from the agency to the actual outcomes of the project and add continuity to the design projects. Having feedback meetings with the clients would augment the agencies' understanding of how clients actually evaluate the projects and their outcomes, and how the design service offered relates to the overall business objectives of the clients. As discussed in Section 6.1., having these feedback meetings would enable the agencies to collect valuable data on the commercial outcomes of the projects to be used to increase the impressiveness of the reference cases used as a sales tool.

Finally, as designers and managers come from two different professional fields, being explicit and thorough in communicating the design proposals was seen central for creating mutual understanding. Explaining was identified as a key sales behaviour to reach this mutual understanding and therefore this behaviour should be incorporated both to textual and spoken sales communication. As agencies currently seemed to

utilise pre-defined structures in their sales presentations, one way of ascertaining sufficient explanations of the design decision made would be adding them as a permanent section in the pre-made structure.

6.3. Suggestions for future research

This study was limited to sales interactions taking place between external design agencies and their clients and had a special focus on sales as a problem-solving process with the aim of creating mutual understanding between the parties through alignment. This naturally casts limitations for the findings and hence opens avenues for future research.

First, this study examined factors affecting the criteria clients choose for evaluating design purchases. In addition to the categories of criteria taken into account in this study, research has traditionally also considered the buy-class of the purchase (Robinson et al., 1967; Cardozo, 1980), i.e. whether the purchase is a straight re-buy, modified re-buy, or completely new task. This aspect was not taken into account in this study and hence forms an interesting area for future research in terms of how the buy-class affects the criteria applied for design purchases.

In a similar manner, future study could more thoroughly assess how the type of the relationship between the client and the agency affects how the clients evaluate their design purchases. This is especially interesting as the findings of this study showed that clients tend to focus on relationship- and interaction-related criteria in the evaluation of design purchases. Further, the findings of this study do in fact show indications of the clients treating the agencies with long and close relationships differently to those they have only recently started to work with.

Furthermore, it would be insightful to study the sales interaction with respect to different design fields more in-depth as this study was primarily focused on mapping out the overall criteria used for evaluating design purchases and how these affect the sales practises. Especially the field of service design would offer an interesting empirical context for studying the sales of design as a knowledge intensive business service, as the cases within the field of service design are predominantly intangible and open-ended.

Finally, this study was one of the firsts of its kind to show how the client purchase behaviour affects the sales practises applied by sellers in the domain of design and thus leaves space for further examining the identified sales practices in detail. This study showed that the application of different sales practices and their appropriateness vary across different clients and sales situations. However, it would be interesting to study this variance between sales practises applied across different clients and design offerings in a quantitative manner and explore the correlation between the effectiveness and outcomes of different sales practices across cases with varying levels of complexity, client's design literacy, and organisational level of design application. This could be done for example through a survey research design tracking the effectiveness of the sales behaviours of asking, telling, showing, and making as perceived by the clients in a comparison with the perceived complexity of the purchase.

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Appendix 1: Interview guide / Design agency

Warm-up questions

- Describe your background and how you have ended up in your current role.
- Describe the project at hand and your relationship to the client.

Sales process

1. Describe the phases in a typical sales process.
2. How did the relationship with the client begin?
 - Who initiated the project?

Sales interactions

3. How do you keep in contact with the client (meetings, phone calls, email, other means)?
4. How often are you in contact with the client?
 - Describe the meetings
5. How would you describe your relationship to the client?
 - How long is the relationship?
 - How would you describe your respective roles in the relationship?
6. How openly does the client share information with you?
 - What type of information is useful when preparing the proposal?
7. What type of roles do the client's decision-makers have in the purchase situations?
 - What type of role does your primary contact person have?
 - Does he or she have decision-making power?
8. What kind of team member were involved in the project from your side?
 - What kind of added value did these team members bring to the sales interaction?
9. What type of goals do you set for the sales interactions and what do you do to reach these goals?

Problem

10. How did the client communicate their needs / problem to you?
 - Why do you think they had chosen this method?
11. Do you deem that the client had succeeded in defining their needs and objectives in a clear manner? Why?
12. Was the brief clear?

13. What do you do to make sure that you have understood the client need / problem correctly?
14. Did you challenge or re-frame the client need / problem? Why?

Solution

15. Describe the proposal you presented to the client.
16. How was the proposal presented to the client?
17. What type of representation formats, materials or tools did you use during the sales interactions?
18. Do you believe that your proposal answered to the client's needs / problem? Why do you believe so?
19. What did you do to make sure that the client understood your proposal?
 - Did you consider the client needs, knowledge and background when making the proposal?
 - Do you believe that you succeeded in presenting the solution in a way that was easy for the client to understand?
20. Did you discuss the variety of possible solutions together with the client?
21. Do you believe that you succeeded in showing the added value that your solution can create?
 - Do you consider that it is possible to demonstrate this added value?
22. How successful was the project in your opinion?

Appendix 2: Interview guide / Client

Warm-up questions

- Describe your background and how you have ended up in your current role.
- Describe the project at hand and your relationship to the client.

Purchasing process

1. Describe the phases in a typical purchasing process. What stages does it include?
2. How did the project begin?
 - Who initiated the project?
 - How do you search for possible providers design services?
3. What kind of role does the purchased design service have for your overall business objectives?
4. Describe the objectives with the design project.
5. Why did you prefer to buy the service from an external service provider?
6. How easy was it to find a suitable design agency to provide the service?
 - Did you have many options?
 - Did the chosen agency have some knowledge, competencies, or resources that were hard to replace? Did this affect the selection?
7. Would it be easy to find another service provider to replace the current design agency?

Purchasing interactions

8. How do you keep in contact with the design agency (meetings, phone calls, email, other means)?
9. How often are you in contact with the design agency?
 - Describe the meetings.
10. How would you describe your relationship to the design agency?
 - How long is the relationship?
 - How would you describe your respective roles and responsibilities in the relationship?
11. How openly do you share information with the design agency?
12. What type of people take part in the decision-making processes in your organisation?
 - What type of roles do they have?

- Who are the decision-makers and who has the power to make decisions?
- Do the decision-makers have education or experience in design?

Problem

13. How are the needs and problems formed and from where do they arise?
 - What are these needs and problems related to?
14. Are these needs and problems easy to define and articulate?
15. How did you communicate these needs and problems to the design agency?
 - How did you form the brief?
 - Was it easy to form the brief?
 - What kind of information was utilised in forming the brief?
16. Was it easy to communicate the needs and problems to the design agency? Why, why not?
17. Do you deem that the agency understood the needs and problems you had defined and how these link to your overall business?
18. Did you consider that the agency tried to proactively diagnose your needs or problems?
 - Is this possible?
 - How does this feel?
 - Can this create added value?

Solution

19. How did the design agency present their proposal to you?
 - Describe the contents of the proposal.
 - What type of representation formats were used?
20. Did the proposal answer to your needs and problems?
 - Did it fulfil your expectations?
 - Did it create added value?
21. What kind of criteria were used to assess the proposal / solution?
 - Why were these criteria chosen?
22. What factors affected the selection of the design agency?
23. Did the design agency succeed in presenting their solution in a way that is easy to understand?
24. How would you prefer to receive the proposals and solutions?
 - What representation formats could be used?
25. Did you discuss the variety of possible solutions together with the design agency?

26. How well did the agency succeed in showing the added value of the solution?
- Do you consider that it is possible to demonstrate this added value?
 - How should this added value be demonstrated?
27. How successful was the project in your opinion?